

THE JERUSALEM POST

TUESDAY, FEBRUARY 21, 1956

PRICE: 180 PRUTA
VOL. XXXII, No. 9494

YAEL-DROMA

INTERURBAN TAXI AND PARCEL SERVICE LTD.

From Tel Aviv and Jerusalem to Beersheba and Migdal Ashkelon.

Marginal Column

By ZEEV LAQUEUR

A SHORT time ago an Indian airliner on its way to Cairo made a forced landing in Lydda. On board was an Egyptian captain, Abdul Fatah Abdul Magid, who, like all other passengers, was permitted to proceed to Egypt as soon as preparations for the flight had been completed. Before leaving Lydda, Captain Abdul Magid made a statement (which nobody had asked him to make.) He said he was very much impressed by the good treatment accorded to him and that he would like nothing better than to tell the truth about Israel upon his return home. Captain Abdul Magid is now back in Cairo and has published the truth about Israel in the weekly "Akher Sa'a." He describes in great detail how Egyptian Jews welcomed him at the airport with tears of joy in their eyes. He reported that everybody was longing for the day when the Egyptian liberation army would enter Palestine. As proof of the authenticity of this story he brought with him a 50 and 250 pruta coin given to him by an Egyptian Jew who wanted him to keep this money up to the great day of the liberation of Palestine. The rest of the story is in the same vein. There is even a picture of the 250 and 50 pruta coins which should convince everybody that the Captain's story must be true.

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CAPTAIN Abdul Magid's report is typical of what appears day-in day-out in the Egyptian press. It is in no sense outstanding. One has to read the Egyptian press or listen to Cairo radio to gain a true picture of the intensity of the hate-Israel (and hate-the-Jews, and hate-the-West) campaign. The latest slogan is that in the coming war against Israel it will not even be necessary to mobilise the entire Egyptian army. One single Egyptian *moudirieh* (district) will do. The Al Tahrir district commissioner said so; Ahmed Hilmy Pasha ("head of the government of Palestine") said so; others repeat it. Even the London "Times" Cairo correspondent, up to very recently a staunch admirer of the regime, now has his doubts. In an article headed "Guns for Egyptian Children" he reports that Egyptian life is becoming increasingly militarist and totalitarian in flavour. Ahmed Kassem Gouda, a spokesman of the regime, in the official "Al Gumhouria," expresses the opinion that it would be a good idea to expel the Jews not only from Israel but from America too. Referring to the Benjamin Franklin anniversary he says that Franklin already noted that the Jews were the biggest danger for America. "If you won't drive out the Jews for ever, your children and grandchildren will curse you in your tombs."

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THE junta is being gradually compelled to modify its position towards Communism at home. This is only natural for they cannot very well go on describing the Soviet Communist party in their press and radio as a great and popular movement while denouncing their own Communists as a bunch of traitors. A new stage in this rapprochement has now been reached with the arrival in Cairo of Khaled Bakhdash, the leader of the Syrian Communists and the most capable and outstanding Communist leader in the Middle East in general. Bakhdash professed admiration for the Cairo regime and its constitution. Fascism has always had a strange fascination for the Communists. For the first time he also revealed a few things about his own career, that he had been thrice in Russia, that Borodin and Tchaikovsky were his favourite composers, and so on. It is unlikely that the Communists will be permitted what all other parties in Egypt have been refused, i.e. to lead a legal existence. Their new tactics appear to be to work with official sanction from within the Egyptian state party; the "liberation movement" which in the long run may very well amount to the same thing.

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MEANWHILE Colonel Gamal Abdul Nasser has been busy assuring Western envoys in Cairo that he does not intend attacking Israel. One of these communications is said to have reached Jerusalem via Mr. Dag Hammarskjold. Be that as it may, no observer of the Egyptian scene will take these assurances at their face value. Even if they were given in good faith it is obvious that Gamal Abdul Nasser has released forces far superior to his own strength and influence. These forces have a momentum of their own, quite independent of what Gamal Abdul Nasser plans to do, or not to do.

London, February 20.

French Airliner Crash Kills 52 Outside Cairo

CAIRO, Monday (Reuter). — A four-engined French airliner crashed in the desert near Cairo today and 52 of the 64 persons aboard were killed. A spokesman for the owners said that 49 of the 55 passengers had died, including 11 women and 11 children. Twenty-two of the men killed were soldiers, and three babies. Six of the nine crew survived.

The DC-6 aircraft was about 20 hours overdue on a flight from Saigon to Paris when it was seen to crash and burst into flames about 25 kms. south-east of Cairo by the pilot of an Egyptian Air Force plane. It had been due to land at Cairo airport.

An airline official said that all the passengers except two Vietnamese were French, travelling home from Saigon.

2 Boys Among Survivors

The six survivors among the passengers, including two young boys, were taken to the French hospital in Cairo with only minor injuries.

The two boys were Jean and Pierre Fontugne. Their father escaped with them, but their mother and two sisters were among the dead. lived in Saigon.

Captain William Judd, an American who recently failed to set a non-stop solo flight record from New York to Cairo, helped in the rescue work. He flew his single-engined Cessna aircraft to the scene and ferried M. Fotugne and his two sons back to the airport. Then he flew back with a doctor.

PINEAU RECEIVES EGYPTIAN ENVOY

PARIS, Monday (Reuter). — Foreign Minister Christian Pineau today received Egyptian Ambassador Kamal e-Din Abdul Nabi. A Ministry spokesman said that the Ambassador came at his own request to pay a courtesy call on the Minister.

Diplomatic observers considered it likely that the French ban on the export of light arms was touched on in the talks.

NASSER, MENON CONFER ON MIDDLE EAST

CAIRO, Monday (UP). — Mr. Krishna Menon, India's Minister without Portfolio, conferred yesterday with Premier Abdul Nasser on the Middle East situation. Informed sources said that Mr. Menon conveyed a message from Indian Premier Jawaharlal Nehru to the Egyptian Prime Minister.

Labour to Benefit From Terms Ending Strike

All government employees, including senior civil servants, will benefit from the increases decided on yesterday, it was learned from government sources yesterday. Now that the claims of the professionals have been settled, the Histadrut Trades Union Department is giving immediate attention to wage increases to be given to other workers.

Meanwhile, all striking professionals returned to work in the three cities yesterday, with the exception of Technion teachers, who will resume their duties when the new semester begins on Sunday.

Officials of the Histadrut Trades Union Department hoped that the table of increases for workers would be completed this week. It will be compiled in accordance with the Histadrut Central Committee's decision to consider the increases granted to all workers in 1956 as part of a total increase, with the remainder to be paid in the future, as with professionals. This will mean that increases to be given non-professional workers this year will probably be reckoned as 67 per cent of the amount due, as in the agreement reached with the professionals.

It is understood that the remaining third will not be reckoned by employers as a debt owing from this year and will accordingly not be entered in company accounts as such. Whatever is paid in 1957 or 1958 will belong to that year's wage account. This will also mean that an employee leaving his job in 1956 will receive the outstanding increase at his new place of work.

From 5% and Up

The table of increases now being drawn up is based on the Histadrut Executive's decision to grant non-professional workers a rise in pay—beginning from 5 per cent of the basic wage.

The 13-day strike officially ended at 4 a.m. yesterday after a five-hour session in which Mr. Levi Eshkol, Minister of Finance, Mr. Moshe Shapira, Minister for Social Welfare, and Mr. Y. Barzilai, Minister of Health, represented the Government; Mr. M. Namir, M.K., and Mr. A. Becker, M.K., the Histadrut; and the professionals were represented by an enlarged Coordination Committee. The meeting ended in full agreement.

According to this agreement, the strikers will receive 66.6 per cent of the 1955 Government approved increases this year, 13.3 per cent in 1957 and the remaining 20 per cent in 1958. The strikers will be paid for the 13 days on which they did not work, but will make an "extra effort" and will work overtime to make up for the time lost.

Relief in Tel Aviv

In Tel Aviv, there was a general feeling of relief as the strikers returned to work. Kupat Holim reported more than the usual number of patients at clinics this morning on the first day of "business as usual." In the hospitals, preparations were being made to receive patients turned away during the strike.

Officials of the Engineers Union who had opposed the strike said that a few days were needed for the "calming of nerves" tangled by the rift within the union. The new salary scales would be automatically worked out, and it was hoped that no difficulties would be raised by the Civil Service Commissioner.

Former strike leaders of the engineers, however, declared that the unofficial "Union of Engineers Committees" set up during the strike would be kept alive until elections were held both in the union and in the Association of Engineers and Architects.

(Continued on Page 2, Col. 5)

Moscow Congress Backs 'New Look'

MOSCOW, Monday (Reuter). — The Soviet Communist Party Congress today unanimously approved the momentous report of its Secretary, Mr. Nikita Khrushchev, after nearly five days' debate which brought to light a wholesale repudiation of policies of the Stalin regime.

After 51 delegates had spoken, Mr. Khrushchev himself declined to wind up the debate, Moscow radio said.

The congress resolution "approved fully and completely the political line and practical activities" of the Party's Central Committee.

Still outstanding is a speech which had been expected last Friday, by the Prime Minister, Marshal Nikolai Bulganin, reporting on the sixth five-year plan.

Professor I. V. Kurchakov, of the Soviet Academy of Sciences, told the Congress today that under the plan two atomic power stations will be built in the Ural mountains, with a joint capacity of one million kilowatts, while another with a capacity of 400,000 kilowatts will be constructed near Moscow.

At this morning's session, the President, Marshal Klementi Voroshilov, stressed the importance of the exchange of parliamentary delegations between the Soviet Union and other countries "for achieving a further relaxation in international questions."

A considerable part of his speech was devoted to "the further extension of Soviet democracy and the role of local Soviets in the economic life of the country." He also spoke of improving the Communist education of youth and the role of the Komsomol and trade union organizations in this work.

Foreign Minister V.M. Molotov criticized past policies associated with his name and admitted shortcomings in Russia's campaign for peace in a speech to the Congress published today.

"We are far from asserting," he said in his speech made last Saturday, "that everything necessary is already being done to make a new war impossible. Not infrequently we still suffer from underestimation of the new possibilities which have opened up before us in the post-war period."

Rosen's Return To Cabinet Imminent

With the ending of the professional workers' strike, Knesset circles yesterday expected the Progressive Party to return to the Government almost immediately.

These circles believed that Prime Minister David Ben-Gurion, on behalf of the Government, would today ask that Mr. P. Rosen re-enter the Cabinet, and that Mr. Rosen would refer this request to his Party's Central Committee. Although this might involve a delay of a day or two, it was thought that Mr. Rosen would be able to participate in the next Cabinet meeting on Sunday.

Opposition Says Budget Draft Short of Emergency Needs

By ARYA RUBINSTEIN

Opposition speakers charged in the Knesset yesterday that the 1956/57 Budget presented last week by Minister of Finance Levi Eshkol did not meet the requirements of the present emergency. Even the Coalition speakers could work up little enthusiasm for the Estimates.

A total of 52 hours has been allocated for the first reading. This comprises 12 hours on the Budget as a whole, 30 hours on the expenditure of Ministries, eight hours for replies by Ministers, and two hours for the Finance Minister's reply. The number and length of the Knesset sessions are being extended to speed passage of the Budget before the Passover recess.

The first speaker in the debate yesterday, Dr. Y. Bader (Herut), asserted that it was impossible to take Mr. Eshkol's budgets seriously. Undoubtedly he would again present a supplementary budget, as in previous years. He was sceptical regarding Mr. Eshkol's promise that no additional indirect taxes would be levied this year.

Dr. Bader charged that security requirements had been "cruelly and irresponsibly" neglected over a period of years. The amount of the overall defence budget should be made public instead of being a secret of the Finance Committee. Most people had an exaggerated idea of what proportion of the budget went for defence, he claimed, and demanded that "the bitter truth" be made known.

Bernstein: Routine Budget

Mr. Peretz Bernstein (General Zionist) called the Budget a routine one, not suited for an emergency. He said there was general agreement that the administrative machinery was too big, and that there was duplication in the work of the Government, the Jewish Agency, the Histadrut and the local authorities. But the Government was not even making a pretence of reducing the civil service, and Mr. Eshkol had evinced utter resignation on this point, he declared.

Although Government leaders in recent months have constantly been warning against inflation, they have ignored an opposite tendency — depression — of which reduced demand was an evidence. Neither Mr. Eshkol nor the Budget showed the way to fight the impending depression without bringing about inflation, Mr. Bernstein said.

Dr. Dov Joseph (Mapai) thought we were so busy on the security front that we were forgetting the economic front. Our primary object should be to increase productivity. This meant three things: increasing the proportion of the productive working population, switching more workers to productive jobs, and making full use of our machinery.

Productive investment should be financed by diverting to capital goods funds now used for consumer commodities. "The proposed budget must be tested by this vital need of increasing productive capacity, and every reduction in sums meant for investment in fixed capital and their use for other purposes is to be regretted."

We must constantly bear the time factor in mind, Dr. Joseph said. Every delay is increasing our productive capacity was endangering our future.

Mr. M. Chazani (Hapoel Hamizrahi) asked whether in these times it was really possible to plan for a whole year in advance. He supplied the answer himself: so long as cannon were not firing and bombs were not falling we must continue the work of production and development.

Mr. Z. Zur (Ahdut Ha'avoda) asked why Herut and the General Zionists, instead of merely attacking the Budget, had not proposed the mobilization of all wealth, as the Conservative Party in Britain had done.

Mr. J. Sapir: (General Zionist): "Do you call this an emergency budget?"

Mr. Zur: "I say that we must have an emergency budget."

There was too great a gap, Mr. Zur said, between increasing danger and lagging preparedness. The Government must mobilize capital and labour to reduce this gap.

Mr. H. Rubin (Mapam) said that the new property tax was a step in the right direction, but a more substantial tax on large wealth was needed. He urged increased income tax credit for children, and complete tax exemption for families with incomes up to IL2,000. Mr. Rubin charged that the income tax estimate was deliberately set too low, in order to make available funds for a supplementary budget.

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Eilat Declares Holiday as 30 Families Settle

By PAUL KOHN
Jerusalem Post Reporter

EILAT, Monday. — A holiday was proclaimed today to welcome 30 families (140 persons) who dropped out of the sky to settle here, a few hours after their arrival in the country by ship. It was also "welcome back" to Mr. Hanoch Nenner, Chairman of the Local Council, who selected the town's newest citizens in Marseilles. They are the first organized group to settle here.

(There is another "day" tomorrow, the seventh anniversary of Eilat's liberation).

"Airborne Absorption" of North African immigrants to Eilat, organized and financed by the Jewish Agency, started at 8 o'clock this morning with the arrival in Haifa of the s.s. Jerusalem. A few minutes past noon, the first of two groups of military transport planes touched down here, and by 6 o'clock this evening, all the immigrants were in their new homes. Asked how they felt, they said "*nous sommes très contents*," neither could they hide their happiness.

Mr. Nenner reported today that considerable persuasion was required in the Jewish Agency transit camp in Marseilles, when he proposed their settling in the Red Sea pioneer town. He chose healthy men with small families of young children, as the town has only three school classes.

He had warned them that they would be far from the "big city life," that it would be hot, and the water supply irregular, but he guaranteed them full employment, fine housing and a good future for their children. Forty-five families agreed to settle, but on the ship 15 changed their minds.

On the plane this morning, when they saw the vast expanse of yellow, barren Negev desert below them, a few showed doubts. This changed completely when they saw the welcome given them by the town's population, who turned out at their gayest. Many of the welcomers had themselves come from Morocco, and had settled here to earn a good living.

The immigrants came in two shifts in three Nord military transports which left Haifa in rainy weather, but arrived here in sunshine. By the time the second group came, the first had already begun to settle down. One man, a waiter and cook in Tangier, had built himself a cupboard, and others had prepared meals from the abundant supplies which awaited them in their homes. When the second group came, the first batch, now "veterans," joined in giving them a regal welcome, and one woman told everyone she saw in mixed Hebrew and Arabic, "*B'emuni, kuoyess*" ("On my life, it's good here").

For the present population of Eilat, these families mean a welcome strengthening of manpower.

"Airborne absorption" will

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Resumed MAC Brands Egyptian Violation

The Egyptian-Israel Mixed Armistice Commission decided yesterday at an emergency meeting that Egypt had committed "a flagrant violation of the General Armistice Agreement" on August 28, when "a heavily armed Egyptian patrol" crossed the demarcation lines into Israel and occupied an unmanned Israel observation post.

The decision was adopted by the votes of the M.A.C. Chairman, Lt.-Col. Robert Bayard, and the Israel delegate, Egan-Aluf Y. Nur-Sela, against the vote of the Egyptian delegate, Major Sadki.

The meeting, which was held at Kilometre 95 on the Gaza road, was the 58th emergency session of the Commission and the first to take place since last September.

The draft resolution found that the Egyptian patrol had crossed into Israel territory, occupied the observation post and when Israel troops arrived to take up their position, "fired at them with light machine guns, rifles and grenades. As a result of this aggressive action, one Israel soldier was severely wounded."

The resolution called upon the Egyptian authorities to put an end to all acts of aggression against Israel.

Growing Pressure On Israel Diplomacy

By Our Diplomatic Correspondent

TEL AVIV, Monday. — Pressure on Israel diplomacy is expected to increase in connection with this country's bid for American arms. Pressure has come only from groups inside the Coalition, but the situation might be brought to a sudden climax by any impending emergency.

When Israel asked for arms from the West, the situation had appeared crystal clear. The Czechs, that is the Eastern Bloc, supplied arms to Egypt with the full knowledge that these arms would be used in a bid to destroy Israel, and the natural reaction was to ask for defensive arms from the known opponents of the East. This was dictated not only by common sense, but also by the logic of the treaty signed with the U.S. in February, 1952, when Washington recognized Israel as eligible for "reimbursable" arms. Indeed, in the past three years Israel has bought some equipment under this treaty — reportedly for $1m. It was under this same agreement that Israel asked for more arms now, following the sudden supplying of saturation equipment to Egypt.

It came as a surprise that "Congress procedure" and the automatic delays of a democratic regime were put forward as reasons for the State Department's red tape handling of Israel's request. Public opinion here was aroused to the fact by news that tanks had been sent to Saudi Arabia without previous congressional debate. Constitutionally there was no need for such a debate — as there is no need for such a debate before the State Department expresses its approval — or rejection — for a request made under an existing agreement.

U.S. delay in considering the Israel request — already described as deserving of "sympathy" by Mr. George Allen, Assistant Secretary of State — will make it increasingly difficult to answer the Mapam and Ahdut Ha'avoda spokesmen who want to know why no request for arms had been forwarded to the Eastern states, just in order to test the repeated Russian assertions that the Czech deal with Egypt was not meant as a hostile act against Israel.

There is a theory current, too, that some Western quarters would not altogether object to such a deal as tending to show the Arabs that the USSR is also Israel's friend. But perhaps this is a degree of Machiavellianism that will not easily gain credence.

U.S. Seen Granting Part Of Israel's Arms Request

Burns Opposes Bigger Observer Force; Wants 'Copters, Jeeps

WASHINGTON, Monday (UP). — Major-General E. L. M. Burns, Chief of Staff of the U.N. Truce Supervision Organization in the Israel area, is willing to accept helicopters, jeeps and telecommunications equipment for his staff but is not willing to increase the number of U.N. observers in that area, it was learned today.

It was recalled that the British Prime Minister, Sir Anthony Eden, and Foreign Secretary Selwyn Lloyd, after their meetings with President Eisenhower here, expressed the conviction that the number of U.N. Observers should be greatly increased to lessen the chances of aggression around Israel's frontiers. Both acknowledged that it was up to Gen. Burns to make the recommendation, but it appeared they had no doubt at the time that he would do so.

Would Be Occupation Force

However, Gen. Burns is reported since then to have considered this proposal with very little enthusiasm and is said to have informed his superiors that any great increase in the number of Observers would look too much like an occupation force.

However, Gen. Burns would be willing to accept helicopters, jeeps and telecommunications material to make his Observers more mobile and in better contact with him.

Experts here believed that the U.S. would be willing to furnish most of his needs in this respect.

Britain Fears Saudi 'Misuse' of Tanks

By GEORGE LICHTHEIM
Jerusalem Post Correspondent

LONDON, Monday. — The sale of American tanks to Saudi Arabia has been given considerable prominence in the British press, although there is a notable absence of editorial comment.

"The Times" devotes its two main centre-page columns to a lengthy Washington report explaining in circumstantial detail the Administration's bewilderingly rapid shifts of policy, but there is no public expression of dissent from what is semi-officially described as an action aligning American policy with that of its partners in the Tripartite Declaration.

Any tendency to feel amused by Washington's obvious embarrassment so soon after Whitehall's own discomfiture over shipments to Egypt is balanced by privately-expressed uneasiness over the use to which Saudi Arabia may put its new toys. There is a tendency to discount Israel's fears by stressing the likelihood that the tanks may be used against Buraimi or Muscat.

Not Suitable for Desert

This is the subject of a brief but learned comment in today's "Times" from which it appears that this American tank is "not thought in London to be particularly suitable for any desert adventure into which its possession might tempt Saudi Arabia. It is, however, reported to be mounted with a 76 mm. gun of the type which the Russians used mounted on T-34 tanks with great success, especially in the fighting around Stalingrad."

Notwithstanding the menacing comparison, the "Times" diplomatic correspondent believes that "the possibility that the Saudi Arabians might think of using the tanks against the Buraimi Oasis or against the territories of the Sultan of Muscat is greatly reduced by the long distances involved and the nature of the terrain."

Despite these semi-official reassurances, the possibility that the amateurish strategists in Riadh may decide to disregard expert advice and go ahead, indifferent to the recently expressed Anglo-American unity of purpose, is not entirely discounted here. "The Times" writes: "The State Department has presumably come to the conclusion that the possession of the tanks will contribute to the internal stability of Saudi Arabia, thus according with the object of American policy in the Middle East generally, and that the threat to Israel is not sensibly increased."

This may be irony, but it probably reflects official thinking.

Burns Sees Shukeir On B'not Ya'acov Plan

The utilization of the Jordan waters was discussed in Damascus yesterday by General E.L.M. Burns, Chief of Staff of the U.N. Truce Supervision Organization, and General Shawkat Shukeir, Syrian Chief of Staff, the T.S.O. Headquarters announced in Jerusalem last night.

The announcement, which said that General Burns had gone to Syria at the invitation of General Shukeir, stated that the discussions centred about the "statement reported to have been made by Prime Minister Ben-Gurion on Israel's intentions regarding the construction of a canal through part of the Demilitarized Zone in order to divert the waters of the Jordan River south of B'not Ya'acov Bridge."

The U.N. announcement added that General Burns and General Shukeir had also discussed the implementation of the Security Council's January 19, 1956 resolution, particularly the exchange of Israel and Syrian military prisoners, as well as General Burns' suggestions for improving the situation in the Lake Kinneret area.

(A Reuter report from Damascus said that Syria would not consider any "proposal for easing Israel-Syrian tension until Israel's intentions on diverting the river were clarified." Syria had also insisted on the implementation of the 1953 Security Council Resolution asking Israel to stop schemes for diverting the waters pending an agreement between the two countries. Radio Ramallah quoted Bakri Kuwash, Syrian M.A.C. delegate, as telling Gen. Burns that Syria will defend her rights at any cost, and that any responsibility for the outcome would fall on Israel.)

Foreign Minister Sharett is to receive General Burns today in Jerusalem.

PREMIER REPORTS TO JORDAN PARLIAMENT

The Jordan House and Senate in a joint secret session yesterday heard Prime Minister Samir Rifa'i report on his recent tour of the Arab capitals. Both houses passed a resolution thanking King Hussein for his efforts to preserve Arab unity in the face of the Israel danger.

Saudi Tank Deal Weakens Resistance

WASHINGTON, Monday — United States officials reported today that the State Department would reach a decision soon on Israel's request for $50m. worth of fighter planes, arms and military supplies. Authoritative quarters said that Israel would be sold at least part of the arms she requested three months ago on the grounds that Soviet bloc arms sales to Egypt threatened her security and defensive capabilities.

High officials stated today that the new shipment of 18 modern American light tanks to Saudi Arabia made it exceedingly difficult for the State Department to resist heavy pressure to sell Israel at least part of the weapons requested last November.

Senior officials of the State and Defence Departments are now reviewing the Israel request and studying the whole question of future arms shipments to the Middle East. The results of these studies are expected to be put before Secretary of State Dulles on Wednesday.

Many Congressmen are supporting the charge of the Israel Ambassador in Washington, Mr. Abba Eban, that the tank shipment was a one-sided transaction which would lead to "war and disaster" in the Middle East.

The Senate Foreign Relations Committee is planning to call Mr. Dulles and the Under-Secretary of State, Mr. Herbert Hoover, Jr., to testify at a series of private hearings expected to open in Washington this week.

Exchange for Base

Officials said that Mr. Dulles would refute arguments that the shipment altered the balance of power, defending it as a commitment in return for the use of the Dhahran Airfield in Saudi Arabia.

Meanwhile, the s.s. James Monroe sailed from Brooklyn at dawn today with the 18 tanks for Saudi Arabia aboard. Everyone of the crew of 30 was covered by war risk insurance late last night after they had refused to sail without financial provision for the risk they said was involved in view of the Israel protest against the shipment.

Mr. Lincoln White, the State Department spokesman, declined to comment on the suggestion by Senator Walter George, Chairman of the Foreign Relations Committee, that the State Department publish in detail a list of arms furnished to various Middle Eastern countries in the $16m. sales mentioned in yesterday's announcement.

Mr. White indicated that Israel's $50m. arms request of last November was being handled seperately from other Israel requests, but that it was included in the regional total of $150m. worth of applications mentioned in the statement. In answer to a question, Mr. White said that it was still the Department's policy to avoid an arms race, but declined to comment on Ambassador Abba Eban's contention of yesterday that an arms race was already in progress and that the U.S. was participating on the Arab side.

The Department has no confirmation of a Cairo report that Syria is receiving Communist weapons, Mr. White said.

(Reuter, INA)

ARMED JORDAN GUARD CAUGHT

An armed Jordanian was discovered yesterday morning in Israel territory in the vicinity of the Israel-Jordan armistice line near the Hebron-Beersheba Road, the Army spokesman has announced.

An Israel patrol approaching the area was attacked by gun fire from across the border. The patrol, which suffered no casualties, returned the fire. The infiltrator was taken into custody.

It was understood later that the infiltrator was a member of the Jordan National Guard. When caught, he was in uniform, carried an English gun and had in his possession a card of the National Guard. His name is Hussan Abdul Petah Hassun.

On Sunday afternoon, a Syrian sniper fired at an Israel patrol in the area of the Upper Galilean settlement Kfar Hanassi, the spokesman added. The patrol did not return fire and suffered no casualties.

Oil Interests Forced U.S. To Yield on Saudi Tanks—Celler

WASHINGTON, Monday (UP). — Representative Emanuel Celler (Dem., N.Y.) charged yesterday that "oil interests," represented by Under-Secretary of State, Mr. Herbert Hoover Jr., influenced President Eisenhower to permit the shipment of 18 U.S. tanks to Saudi Arabia.

He said that the "oil interests got to the President's ear" through Mr. Hoover, who in the past has received some very lucrative contracts from them. He added that the $110,000 worth of equipment which the State Department had approved to Israel was not part of Israel's $64m. arms request.

Some high Administration officials were quoted as agreeing with Ambassador Abba Eban's demand that some way now must be found to provide Israel with defensive weapons, particularly jet fighters to offset the bombers sold to Egypt by Czechoslovakia.

To Demand Review

Senator Hubert Humphry (Dem., Minn.) said yesterday that some of his colleagues were "going to push very hard for an open review of foreign policy" by the Foreign Relations Committee. He called the Middle East arms situation a "massive mess" growing out of "either designed deception or gross incompetence," in the State Department.

Predicting the sale of some arms to Israel, Senator Humphrey said that "we are selling arms to Israel because we got into a jam and sold them to the Arabs. We get into trouble with one side and then we get into trouble with the other," he said.

Campaigning in Minnesota for the state's support in the Democratic primary, Senator Estes Kefauver said about the tanks shipment to Saudi Arabia that the U.S. was "feeding the fire" of the arms race begun by the Communists in the Middle East. "It is difficult to see how we can criticise what the Communists have done when we are following suit," he said.

The unveiling of the tombstone over the grave of

Dr. Arthur Felix

will take place on the 30th day after his death, Wednesday, February 22, 1956 (10th of Adar, 5716), 4 p.m., at the old cemetery on Rehov Trumpeldor, Tel Aviv.

Leah Felix
Max Felix and family
Joseph Gluckmann and family
Jacob Susskind and family
Azia Barkay and family.

UNION BANK OF ISRAEL LTD



Financing of Import & Export

Social & Personal

The oreign Minister, Mr. Moshe Sharett, yesterday received the Netherlands Minister, Mr. Gideon W. Boissevain. Mrs. Boissevain last week entertained to cocktails the Jerusalem members of the Organization Committee for the Diplomatic Corps Ball in aid of Magen David Adom. A preview was given of a television documentary describing 25 years of Magen David Adom.

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The Guatemalan Minister, Mrs. J.G. Granados and son are on leave and are staying at the Galei Kinneret Hotel, Tiberias.

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Mr. and Mrs. Abner Wolf, of Detroit, Mr. Irvin Goodman, of Madison, Wis., and Mr. and Mrs. Samuel I. Hershman, Mr. and Mrs. John J. Fox and Mr. and Mrs. Charles Berney, all of New Haven, Conn., were entertained yesterday at the home of the Secretary-General of the Jewish Agency, and Mrs. Shlomo Eisenberg.

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Mr Leon Feldberg, Editor of the "South African Jewish Times," arrived yesterday in the s.s. Jerusalem for a three-week visit.

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Professor Cornelis Van Niel, of Stanford University, California, who is visiting Israel as the guest of the Hebrew University and the Weizmann Institute, is to lecture on "Photoaxis and Photosynthesis," under the auspices of the University's Faculty of Science and the Hebrew University - Hadassah Medical School, at the Faculty building, 29 Rehov Mamillah Road, at 8:15 this evening.

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The "Dan Club" of the Dan Hotel will be closed to the general public tonight owing to a private party.

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The public rooms of the Sharon Hotel will be closed on Saturday evening, February 25, owing to the Purim Ball of Young WIZO.

Norwegian Labour Paying a Visit

TEL AVIV, Monday. — A 16-man labour delegation consisting of leaders of the Norwegian Labour Party (the Government party), trade union leaders, and members of the Norwegian Labour press, is expected in the early hours of tomorrow morning.

Their visit is perhaps the first in which a non-Jewish group has come to Israel on its own initiative, Mr. R. Barkatt, head of the Histadrut Political Department, declared today. The delegation, which is headed by Mr. C. Ording, International Secretary of the Norwegian Labour Party, will remain here a week as guest of the Histadrut.

On the delegates' return home, the Labour Party will launch a campaign on behalf of Israel. It will form part of a general campaign by the Socialist parties of Scandinavia, which will include public rallies, meetings, and publicity projects.

The idea of the Campaign for Israel came from the General Secretary of the Norwegian Labour Party, Mr. Haakon Lie, who visited this country five years ago and on whose initiative the Norwegian-sponsored village of Yanuv was established. It was he who raised the question of Israel's security at a meeting last month of the Bureau of the Socialist International.

Cinemas

JERUSALEM

At 3.30, 6.30 and 9.30 p.m.

ARNON: The Second Greatest Sex.
EDEN: Jupiter's Darling. 2nd week.
EDISON: "La Rage au Corps." 3rd week.
GENA: Haifi Baba.
ORION: The Seven Year Itch. 2nd week.
OREGIL: Bygone Years.
RON: "La Pensionnaire."
STUDIO: "Edouard et Caroline."
TEL OR: A Girl in Every Port.
ZION HALL: Ulisse.

TEL AVIV

At 3.30, 7.15 and 9.15 p.m.

ALLENBY: To Hell and Back. 9th week.
CHEN: The Country Girl.
ESTHER: Love Me or Leave Me.
MIGDALOR: Frou-Frou. 2nd week.
MOGRABI: "Le Boulanger de Valorgue."
OPHIR: Betrayed. 2nd week.
ORION: Helen of Troy, 5th week.
SHDEROTH: "La Minute de Verite"
TAMAR: The War of the Worlds.
Also continuous from 9.45 (last show at 2.45 p.m.).
TCHELETH: "Les Amants de Tous," 12th week.
YARON: White Christmas. 3rd week.
ZAMIR: Bigodote. 5th week.

HAIFA

ORLY: The Man in the White Suit.
ARMON: Hobson's Choice.
EN DOR: Malaga.
MORIAH: Brigadoon.
ORION: Dangerous Mission.
ATEMON: Laughter in Paradise. 2nd week.
PEER: All that Heaven Allows. 3rd week.
GAL OR: Passport to Rio. Matinee: Hiroco.
AMPHITHEATER: Good Morning, Miss Dove. 2nd week.
ORAH: Nana. 2nd week.
MAY: Seven Brides for Seven Brothers. 3rd week.

Miriam Bat-Arzi's
BALLET SCHOOL
96 Rehov Arlosoroff, Haifa.



"Cinderella" Ballet
PERFORMANCE.
Saturday, February 25, 1956, 11 a.m. at "Orah" Cinema.
Tickets: "Mizrahi" Box Office.

LAW REPORT

The Jerusalem Post
February 21, 1956

In the Supreme Court Sitting as Court of Criminal Appeals

Before the Deputy President (Justice Cheshin), Justices Goitein and Berinson.

The Attorney General, Appellant, v. Eliahu Appelbaum, Isaar Resnick, David Rushku, Respondents (Cr. A. 107/55).

Managers of Transport Company Guilty of Bribing Army Officers

The Supreme Court allowed an appeal against an acquittal by the Tel Aviv District Court (Cr.C. 569/53 of February 9, 1955).

The three respondents, directors of the Mefalex transport company, had been charged in the Tel Aviv District Court with bribing two army officers by giving them loans of IL50 a month for the four months September to December, 1952, and by sending them four bottles of wine each for Passover in 1952. The first and third respondents were also accused of having guaranteed a loan which one of the officers received from a bank.

The officers, Major Yitzhak Birnbaum and Captain Dov Amsel, were responsible for arranging civilian transport for the army in case of need. The Mefalex company, owners of light lorries, had a contract with the army for the exclusive supply of light lorries whenever the need arose.

Judge Yedid-Halevi acquitted all the three accused on the grounds, firstly, that he did not believe the evidence of the principal witness for the prosecution, Baruch Bornstein (who had also been a director of the company at the time the alleged offences were committed and was therefore an accomplice) and that, even if he had believed him, there was no corroborating evidence; secondly, that he did not consider that the fact that the directors of the company had agreed to give loans to the two officers or that they had stood security for one of them constituted bribery, and, thirdly, that in the circumstances he did not think the officers could have "discriminated in favour of the company or secured preferential treatment for them generally" (as required by the bribery law) since, in any case, the company had a concession to supply the army with the type of trucks which they owned.

Mr. G. Bach, Assistant to the State Attorney, appeared for the appellant, Mr. Dinari for the respondents.

Judgment

Justice Berinson, in delivering the judgment of the Supreme Court, said that Judge Yedid-Halevi had found that Bornstein had acted and spoken with open hostility towards his ex-associates from whom he had parted as a result of a business quarrel, and had been unrestrained in his accusations, wishing above all else to see them convicted, and that therefore his evidence must be disregarded; but if the District Court had believed Bornstein, corroborative evidence would not have been necessary since the Penal Law Revision (Bribery) Law, 1952, states explicitly that the court may convict on the strength of a single testimony, even if it be that of an accomplice to the offence. However, the District Court should have examined the other evidence before it in order to establish whether it were nevertheless possible to convict the accused. This the District Court had not done, and the Supreme Court would therefore have to give their considered opinion on this point.

Justice Berinson then examined the objective facts which could be gleaned from the record of the proceedings before the District Court and came to the conclusion that difficulties had arisen between the army authorities and the company, which the directors of the latter had decided to eliminate by assisting the two responsible officers with loans. As regards the question whether this assistance would come within the meaning of a bribe, the Justice held that it was "a service or any other benefit" within the definition of section 4(a) of the Bribery Law (as was also decided by Cr.A.214/53 P.D.9/511; see *Jerusalem Post* Law Report of April 10, 1955).

Turning next to the question whether the army officers could, in the circumstances, have discriminated in favour of the company or secured preferential treatment for them, Justice Berinson said that the evidence given by two army witnesses indicated that Judge Yedid-Halevi had been correct in holding that there had been no discrimination in favour of the respondents as against other transport companies since the respondents had a concession in any case. But the judge had not considered the alternative meanings of the word "discrimination," which could also mean doing more than was strictly necessary. And there was no doubt that Birnbaum and Amsel could have discriminated in favour of the respondents by authorising the hiring of more light lorries than were really necessary. In any case, even if this were not considered to be "discrimination," it certainly contained an element of "securing preferential treatment."

Justice Berinson drew the following conclusions from the established facts: that Appelbaum, the first respondent, had been guilty of persuading his fellow-directors to give Birnbaum and Amsel loans of IL50 a month for four months and had himself handed over these loans to the officers; that he had given security for a bank loan to Amsel, and that he had sent Birnbaum and Amsel four bottles of wine each, not as a friendly gesture at Passover, but with the ulterior motive of winning their favour in connection with his business enterprises. Furthermore, Resnick had handed money over to Appelbaum in order that the latter should give it to the officers, and it was not important whether Appelbaum had actually handed the money to the officers or not, the decisive factor being Resnick's intention in giving the money (Section 4 (e) of the law) and that Resnick had also participated in the sending of wine to the two officers. As to Rushku, he had been guilty of contributing towards the IL50 a month loan, and had also guaranteed the bank loan to Amsel.

Allowing the appeal, the Supreme Court noted that the bribes had been given to officers of the army in order to seduce them from the narrow path of honesty and that, if the respondents' efforts had been successful, the result would have been a squandering of army funds which are sacred to the needs of the defence and security of the State. Taking account of the fact that the initiative had come from the officers themselves and not from the respondents, the Court imposed the following sentences on the respondents: Appelbaum, eight months imprisonment and IL1,000 fine; Resnick, six months imprisonment and IL500 fine; Rushku, four months imprisonment and IL500 fine.

Judgment given on February 16, 1956.

EMERGENCY PHARMACIES

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TEL AVIV: Marpeyah, 77 Allenby, 3467. Yafa, 172 Ben Yehuda, 34548. Bloch, 32 Bloch, 26326. Kitibitz, 23 Hayarkon, 3566. Hadassa, Hatikva Qtr., 67664. JAFFA: Nos. 1 Rehov 208, 51896. RAMAT GAN: Lifshitz, 19 Herzl, 71771. RAMAT YITZHAK: Hasharon, 19 Jerusalem, 72048. PETAH TIKVA: Balkin, 40 Hovevei Zion. BNEI BRAK: Shapira, 80 Rabbi Akiba. RISHON LE-ZION: Karlan. HOLON: Briut, 104 Sokolow.
HAIFA: Masada, 1 Massada, 2289. Mazor, 17 Garden, German Colony. KIRYAT MOTZKIN: Motzkin, 72972. SAFAD: Haari. NAHARIYA: Merkaz.

EMERGENCY PHYSICIANS

JERUSALEM: Dr. Romanoff, 11 Arlosoroff 61217. Dr. Greenwald, 22 Yehoshua Ben Nun, 62963. Dr. Shumert, 19 Ben Yehuda, 61474.
TEL AVIV: Dr. Shaham, 1 Syrkin, 28842. Dr. Shore, 84 Sokolow, 26383.
JAFFA: Dr. Weinberg, 4 Rehov 65.
HAIFA: Dr. Sherman, 3 Hanevi'im, 2424. Dr. Ludwig, 34 Shivat Zion, 67417.

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The streamlined Lolly-Pop

What's a "Lakekan"? Ask your children! The sweet on a stick is a favourite for all the 2-12 year olds.

Hitherto this stick was made of wood, and children sucking the candy were liable to swallow particles of wood. This was so dangerous that in some Anglo-Saxon countries sticks of wood were forbidden.

"Elite" now makes a cardboard stick by a new American process. This prevents splinters. Even if a child swallows a piece it is not at all dangerous.

Moreover, Elite's Lolly-Pop is wrapped in cellophane, making the candy dust-proof and air-proof. It is not touched by human hands during its manufacture and while it is being sold.

If you buy your children a Lolly-Pop be sure it is made by Elite —with the safe cardboard stick and in the hygienic cellophane wrapping.

BEN-ZION
WITLER
SHIFRA
LERER
Tues., Feb. 21 — Jaffa, "Jafox," 8.30 and 9.30 p.m.
MY GIRL
Wed., Feb. 22, Afula, "Kol Bos," 8.45 p.m.
MY GIRL
Fri., Feb. 24, Kiryat Motzkin, "Oren," 8.45 p.m.
MY GIRL
Sat., Feb. 25, TEL AVIV, "Ohel Shem," 2 performances, 7 and 9.30 p.m.
MY GIRL

DRIVERS MUST SEE IN THREE DIRECTIONS

Driving without a clear view of the road, not only directly ahead, but also on either side, is a criminal offence according to a ruling issued yesterday by the Supreme Court, sitting as a Court of Criminal Appeals.

The Court dismissed the appeal of Reuben Cohen, a bus driver fined IL15 by the Tel Aviv District Court for violating traffic regulations in permitting his right-hand view to be obstructed by passengers.

Yesterday's Press

Left Wing Lags In Strike Report

"Al Hamishmar" (Mapam) and "Lamerhav" (Ahdut Ha'avoda) "went to bed early" the night before, it seems. Instead of announcing the end of the strike, "Lamerhav" headlines its story "Hopes for Agreement" and "Al Hamishmar" calls for an "Immediate Termination of the Strike." "Kol Ha'am" (Communist) seemed to be a wee bit sleepy, though its editor was still awake enough to record that the Government had accepted the strikers' proposals in principle.

As for "Herut," its leader speaks as though the strike were still on, saying that it wasn't monetary considerations that kept the professionals away from their patients and desks, but only the determination of our *Bossocracy* to cow those who dare flaunt the authority of the Histadrut. A key to this mentality in a rational emergency is found by the paper in the statement made by the Mapai leader at Sde Boker as recently as February 4, when he laid down, as one of the topics of the coming Histadrut Conference, discussion about the "class enemy."

American Ahasuerus

With Purim less than a week off, "Haboker" (General Zionist) compares the acrobatics of American policy with the goings on in the Scroll of Esther in which Ahasuerus can never decide things for himself. It is difficult to believe that the Arab rulers have so confused the minds of secretaries and ministers that these can no longer distinguish between "Blessed be Mordecai" and "Accursed be Haman." For our part, we hope that this Walpurgis-night is something transitory, but there seem to be American politicians who want to force Israel to write a new Scroll of Esther.

"Lamerhav" has had enough of the way Israel hangs on the utterances of one American official or another, each of which shall keep us on tenterhooks, without our bid for arms being satisfied, till the election votes are counted. There is no hope from these quarters; why not try others?

"Davar" (Histadrut) writes that Israel is interested neither in intervention by the Powers nor in an arms race, but she sees no other way of containing her enemies. The U.S. must give a clear and positive answer to our bid for arms, not only to guarantee Israel's security but also to restore America's prestige, so drastically fallen with the tragi-comic Saudia tanks deal. "Hamodia" (World Aguda) feels that American policy is simply being dragged along by the British.

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The 24th Zionist Congress Bureau

Tenders are invited for the

management of a buffet

at Binyanei Ha'ooma for the 24th Zionist Congress.

Starting April 24, 1956, the buffet will remain open approximately two weeks, and will serve congress representatives and the general public.

Particulars can be obtained from the Congress Bureau, at the Permanent Pavilion, Binyanei Ha'ooma, Tel. 61452. Bids should be submitted to: Congress Bureau, P.O.B. 92, Jerusalem, not later than March 1, 1956.

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Larry Adler
At the piano: KARL MOSBACHER
TEL AVIV: Chelfem, tomorrow, Wed., Feb. 22, Sun. Feb. 26.
RAMAT GAN: Reuma, Mon., Feb. 27.
JERUSALEM: Edison, Tues. Feb. 28, with the "Kol Yisrael" Orchestra
HAIFA: Armon, Wed., Feb. 29.
BEMOUCT: Beth Ha'am, March 1.
HADERA: "Hof," March 2.
Tickets from IL1.750 up to IL4.200 (including Government and Municipal taxes). Details, concerning tickets, on posters.

AT THE CINEMA

THE Haifa Film Club's documentary (Peer Cinema) was the 1952 Vigo Prize Winner, "Crin Blanc," a beautiful study of wild horses in the desolate Camargue. Magnificent is the rounded sculpture of two horses fighting. Since the hero is a boy paddling his canoe through the swamps and loving all Nature, comparison is invited with "Louisiana Story." The eventual choice is between two approaches to Nature, Flaherty's warmheartedness, and the hunter-and-hunted earthiness of "Crin Blanc."

Then there was "Dr. Caligari," Wiene's masterpiece of 1919, last publicly shown here at the 1937 Levant Fair. To some of the audience it must have recalled the gloom of a defeated Germany; to your critic it evoked the glorious creative sunset of the Twenties. For "Caligari" probes into new methods of expression and technique, borrows its flat angularity from cubism, emphasizes the emotions through expressionism, is still ignorant of cutting but blacks out to stress a close-up. Werner Krauss in the name part would still be great today; Lil Dagover, despite an old-fashioned style, has the real touch; and Conrad Veidt, as the somnambulist, glides fatally towards his victims.

Small-Town Teacher

IT is more than a road's width from the rapacious impudence of Martine Carole's Nana to the prim gentility of Jennifer Jones' Miss Dove ("Good Morning, Miss Dove," Amphitheatre, Haifa). But what worlds apart between Second Empire Paris and the little town where the heroine has taught geography to five generations of children. The reason for her self-dedication is probable; so, too, is the covert manner in which she carries out her acts of kindness. Jennifer Jones clothes the role in a union of realism and stock part. Yet the episodes which bring out the film's theme welter in a sentimentalism which makes one blush even in the near-solitude of a darkened cinema. Apart from Jennifer Jones' very competent performance, the children, as usual, lead for sheer natural ease and verisimilitude.

Laughton Enjoys Himself

DAVID Lean's "Hobson's Choice" (Armon, Haifa) brings to the screen the play on Lancashire family life, which was made famous by the Manchester Repertory Theatre. Lean's camera, anxious to build up atmosphere by concentration on the shop interior, the room furnishings etc., dwells perhaps a little too long on them. "Hobson's Choice," however, is conspicuous for its acting. Charles Laughton, well directed and, as a North countryman, obviously enjoying himself, gives a splendid performance in the role of old Hobson, widower, trying to tyrannise his daughter and finally tamed, proud of the way he takes his drink and finally overcome by it. Both Laughton and John Mills create living men, and Brenda de Banzie succeeds as Hobson's daughter, the managing wife who leads her husband but does not mind being forced into second place. Humour and realism throughout. *H.*

Applied Psychology

IN its third week, "La Rage au corps" (Edison, J'lem) is still packing the house. It is a rather morbid but extremely well acted piece about a nymphomaniac (Francoise Arnoul). Raymond Pellegrin is excellent in the male lead. The sympathies of the audience, however, are clearly with the heroine, who does not seem to derive much satisfaction from her philanderings. The happy end is one of those conclusions that make the layman feel like a great psychoanalyst because he expected it all anyway. *Th.F.M.*

Geza Anda
Only Piano Recital
IN HAIFA
TOMORROW, Feb. 22, Peer Hall
The Programme includes works by Beethoven, Schumann, Bartok, Brahms.
TICKETS are obtainable at Ginzburg & Yuval Office, 25 Rehov Herzl, Haifa.

More Fruit, Fewer Vegetables in January

As a result of the heavy rains, seven per cent fewer vegetables were marketed in January of this year than in the same month last year, it is learned from Ministry of Commerce sources. *Per capita* vegetable consumption was 11.3 kilogrammes last month.

The total amount of fruit marketed was larger than last January, citrus and bananas being mainly responsible.

In order to encourage canning of vegetables for export, the Ministry of Agriculture has decided to subsidize 20,000 tons of vegetables, at IL50 per ton, on condition that 65 per cent are exported, it was learned yesterday. The Ministerial Economic Committee had previously approved the allocation of IL1m. to increase the export of canned vegetables.



Where to go

JERUSALEM

• Exhibitions: —
1) Dutch and Flemish 17th Century Paintings. 2) French 20th Century Paintings. 3) Pechoir Paintings of Maya Art after Manuscripts and Monuments by Felipe Neri Gonsales. Exhibit of Month: Copper plate etched by Jacques Lipchitz with 43 successive proofs of the etching. Rosalel. 9-1, 2-5.
Works by Aaron Giladi (Golodets). Woollen rugs from Bde Boker. Artists House. 10-1, 4-6.
Permanent exhibition at the Department of Antiquities. Temporary: Finds in Caesarea. 9-11, 2-5.
"Conquest of the Desert." Jerusalem Convention Centre. 10-1, 4-6.
Water colours, drawings and frescoes by F.M. Weiss. Wire sculptures by Prof. Abba P. Lerner. "Nora Studio." 9 Ben Maimon. 10-1, 3-6.

• Tours: —
Hebrew University conducted tour New Administration Building. Opposite Terra Sancta. 10 a.m.

• Mozart Series: —
Dance Troupe of the New Jerusalem Conservatoire — "Mozart's Youth." Y.M.C.A., 8.30.

• Lecture: —
Dr. Hyman Klein on "Maimonides as a Modern Thinker," Beit Hillel. 7.30 p.m.

TEL AVIV

Italian specialities, lunch, dinner, music. Luky's Bar, 3 Allenby Rd.

• Exhibitions: —
Paintings, Puppets, Stage designs by Paul Leeuw. Paintings Arie Allweil; Chinese Prints (reproductions) lent by UNESCO. 10-1, 4-7, Tel Aviv Museum.

• Films: —
4 Israel Documentary Films in colour, produced by Lasar Dunner: Z.O.A. House, 7.30.

• Theatre, —
Cameri, "The Italian Straw Hat" New Cameri Theatre, 8. "The Hasty Heart" Mograbi, 8.
Martha Graham and her Company. Habimah, 8.30.
Ohel, "Eldorado." 8.

HAIFA

• Exhibitions: —
Modern Italian Art. Carmel Studio, 3 Sderot Wedgwood. 9-1, 4-7.

HADERA

• Theatre: —
Habimah, "Pandre, the Hero," 8.

AFULA

• Theatre:—
Cameri, "The Hasty Heart," 8.

TIBERIAS

• Theatre:—
Ohel, "Johnny Belinda," 7 & 9.15.

ON THE AIR

FIRST PROGRAMME
322, 249, 31.5 & 48.9 M.

News: Hebrew: 7 a.m., 1.30, 7.00, 9.00 p.m. & 12.00 midnight. Arabic Programme (including News): 7 a.m. 2.15 & 5.45 p.m.
6.30 a.m. Service. 6.50 Exercise. 6.45 Musical Clock (R). 7.15 Melodies (R). 8.00 Close Down.
11 M. "Music at Noon" — Annie Gould. 12.30 Music for two pianos. 12.50 Light Music (R). 1.45 "From Dan to Eilat" (R). 3.30 Close Down.
4.00 p.m. Programme for Hospitals. 4.30 Agricultural Programme. 4.40 Vocal Recital by Sarah Rubin. 5.00 Language Corner. 5.15 Youth Corner. 6.45 Bible Reading. 7.15 The Week in the U.N. 7.30 Radio Programme. 8.00 Noah's Ark. 9.40 Talk. 9.15 Concert by the "Kol Yisrael" Orchestra. Conductor: Heinz Freudenthal. Soloist: Sonia Valine. 10.45 Short Story. 11.00 "With an open eye" — Yaakov Ben Herzl. 11.15 Light Music, played by famous Symphony Orchestra. 11.50 Dance Music (R). 12.10 Close Down.

SECOND PROGRAMME
397, 468, 223, 216, 49.9 & 38.3 M.
French News: 1.45 10.15 p.m.
English News: 2.00 p.m.

IMMIGRANTS' HOUR (38.3, 34.9 & 469 M.): 5.30 p.m. Programme for Yemenites. 5.45 Yiddish — Hebrew Lesson. 6.00 Light Music (R). 6.30 French. 7.00 Yiddish. 7.30 Ladino. 8.00 Turkish. 8.15 News in Easy Hebrew. 8.30 Rumanian. 8.45 Hungarian. 9.00 Close Down.

KOL ZION LAGOLA (38.3 M.): (South Africa Programme): 6.30 News. 6.40 From the Federation. 6.45 "What we eat" — Housewives discuss Israel recipes.
11.15 p.m. News. 11.25 On the Spot. 11.30 "What we eat"—Housewives discuss Israel recipes. 11.45 Easy Hebrew Conversation.

ARMY PROGRAMME (44.6, 214, 225 & 238 M.): 6.30 Opening. 6.35 Songs. 7.00 News. 7.10 Musical Mosaic. 7.30 "Bow and Arrow." 8.00 Noah's Ark. 8.45 "Criticism." 9.00 News. 9.15 "Thriller" by Michael Almaz. 9.35 Dance Music. 10.00 Close Down.

B.B.C. HEBREW BROADCASTS: (16.79, 19.42, 16.96, 25.15 M.): 7.30-8.00 p.m. News, News Talk. Echoes from the world.

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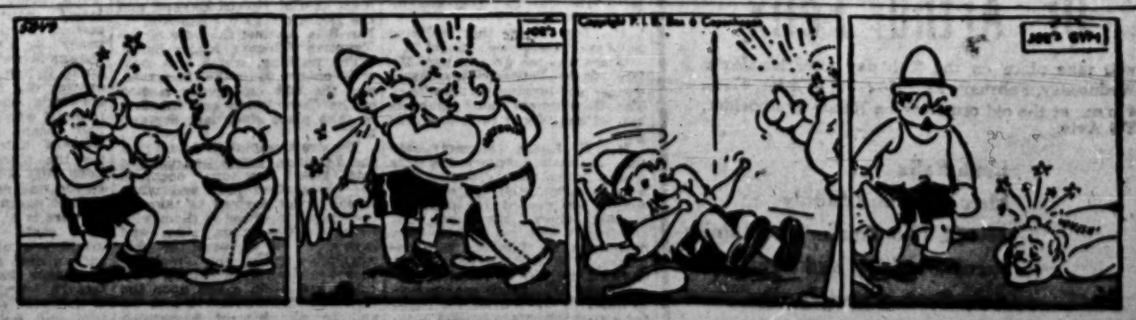
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10. IMPROVEMENTS RELATING TO THE PREPARATION OF CATALYSTS
11. IMPROVEMENTS RELATING TO THE CATALYTIC DESULPHURISATION OF PETROLEUM HYDROCARBONS
12. IMPROVEMENTS RELATING TO THE REGENERATION OF CAUSTIC ALCALI SOLUTIONS CONTAINING MERCAPTANS
13. IMPROVEMENTS RELATING TO DESULPHURISATION CATALYSTS

Israel Patents Nos. 4812, 4818, 4819, 4827, 4860, 4861, 4862, 4875, 4876, 4877, 4882, 5870, 5842, 5883, 6480 and 6509 of Jan. 10, 1941, Feb. 24, 1941, Sep. 26, 1941, Jan. 31, 1944, May 24, 1946, Sep. 6, 1946, Oct. 10, 1946, July 1, 1947, Sep. 10, 1947, Sep. 10, 1947, Jan. 30, 1948, Sep. 22, 1949, Mar. 14, 1950, Mar. 15, 1950, Feb. 14, 1951 and Feb. 23, 1951, registered in the name of —

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Today's Postbag

THE WEATHER

FORECAST: Cloudy, with showers; becoming partly cloudy.

	A	B	C	D
Mt. Cana'an	75	14	17	18
Tiberias	88	15	—	24
Haifa Port	93	19	24	19
Natanya	78	20	22	20
Tel Aviv Kirya	71	16	21	19
Tel Aviv Port	92	20	26	19
Lydda Airport	81	18	21	19
Jerusalem	60	15	19	16
Beersheba	84	17	22	20
Sdom	46	16	29	26
Eilat	31	17	28	24

(A) Humidity at 2 p.m. (B) Minimum temp. (C) Maximum yesterday (D) Maximum temp. expected today

• • •

A CENTRIFUGE for separating out blood plasma has been received by the Jerusalem Magen David Adom Bank from Mrs. Albert Salter, of Boston, Massachusetts. The machine is 60 per cent more successful than models previously in use. A campaign for an emergency blood and plasma reserve is scheduled to begin in March.

• • •

FOR FAILING to stop his bus at a pedestrian crossing near a school, Shmuel Yitzhaki, Hamekasher driver, was yesterday fined IL50 by the Jerusalem Magistrate.

• • •

TWO MEN in army uniform attacked and robbed Ya'acov Steiner, 28, a Hebrew University student, at midnight on Sunday when he was passing the Municipal Garden. Steiner was injured in the eye, back and leg, before being overcome and robbed of his watch.

• • •

THE AHVA (Brotherhood) Society has announced in a report on its activities that since its establishment as a relief and charity organisation in 1948, it has rendered help in 3,191 cases.

Capital to Have 'Little Adloyada'

Jerusalem Post Reporter

A "Miniature Adloyada," crammed with colour, variety and excitement, is to be held in Jerusalem on Shushan Purim, next Monday. It will be the highnote of this year's Purim celebrations in the capital.

A three-kilometre parade by 4,000 children and youths, from Binyanei Ha'ooma, down Rehov Jaffa and up King George Avenue to Terra Sancta is to serve as the spine for dozens of exhibitions and displays.

Prominent among them will be a parade of animals from the Biblical Zoo, led by "Yehuda," 250-kilogramme lion, who will be safely caged. Children are to ride camels.

A Druze troupe from Isfia, near Haifa, is to perform folk dances on a moving platform.

The floats are to be devoted to such themes as the folk customs and lore of peoples from the Diaspora, jungle life and children's stories.

The Shoham company is to send a replica of a ship, while other exhibits are to come from the Jewish National Fund (probably a giant collection box) and the National Insurance Institute.

The Municipal Education Department, which is arranging the Adloyada, has reached an agreement with the Merchants Association on decorating and lighting show windows during the holidays and with Hovevei Yerushalayim, a civic group, on beautifying the city.

A Public Committee, sponsored by the Government Tourist Corporation, is also to help in decorating the city and in mobilizing vehicles for the parade. The Corporation has donated IL1,000 for the Adloyada.

The streets are to be festooned with thousands of flags printed especially for the occasion.

A plot in King George Avenue is to be roped off for disabled children so that they can view the parade without fear of being crushed. Tourists, for whom hotels are making special preparations, will be granted special "balcony" privileges to see the parade.

Meanwhile, plans are going ahead to give Corridor villages a merry Purim. Car owners are asked to volunteer their vehicles to help take entertainers and supplies. They should telephone the Journalists Association, 5742.

Fireworks Against Law in Jerusalem

Jerusalem Post Reporter

A by-law banning the sale or possession of fireworks or "other dangerous toys" of this type in Jerusalem without the express permission of the Mayor was gazetted yesterday.

The capital's municipal inspectors are today to begin enforcing the by-law which permits "policemen and every chief inspector to enter any premises at any time in order to ascertain whether the ban on fireworks is being maintained."

The by-law was signed by the Minister of Interior on February 6.

Beersheba Boys Hurt Before Fireworks Ban

BEERSHEBA, Monday. — Eye injuries caused by shots from toy pistols sent three boys between the ages of eight and 10 to Hadassah Hospital today.

A by-law prohibiting the sale of these types of toys, passed some five months ago, was gazetted only yesterday. After the incident today, police are making a round of shops to warn dealers not to sell dangerous toys.

Boy Dies From Fall Into Empty Pool

A six-year-old boy, Amos Arizidor, was fatally injured yesterday morning when he fell five metres into the empty Mamilla Pool, Jerusalem.

The boy was taken unconscious from the bottom of the pool by a passer-by, Mrs. Rina Gavrieli, who was attracted to the scene by the shouts of two three-year-old children. The boy was rushed to Hadassah Hospital, but he died shortly after being admitted.

Cypriot Church Leaders Study Reply to Britain

NICOSIA, Monday (Reuter). — Greek Orthodox Church leaders in Cyprus have been summoned to an extraordinary meeting here tomorrow to discuss their final attitude towards British proposals for self-government in the colony.

Archbishop Makarios, leader of the Union with Greece movement, has asked 29 church leaders of the Ethnarchy Council to consider his final reply to Britain. He was reported to have already agreed, with some reservations, to negotiate with Field Marshal Sir John Harding, the Governor on the constitutional proposals.

A major complication was expected to be the Archbishop's request for a general amnesty for political prisoners and for others detained here for terrorist activities. Weekly Greek newspapers published here today were generally pessimistic about Britain's reply to the amnesty issue.

Meanwhile, the Supreme Court today dismissed an appeal by Andreas Demetraou, 22, sentenced to death by a Special Court for carrying a firearm and discharging it at a London businessman, Mr. Sidney Taylor, in Famagusta on November 28.

Demetraou was the first Cypriot to be sentenced to death under the emergency regulations.

DRUG. — Doctors in Washington on Sunday announced the development of a new "peace of mind" drug called "Promazine," which they described as being as effective and apparently safer so far than the two most widely used tranquilizing drugs for the mentally ill.

T.A. Has Noise, But 'It's Not the Same'

Jerusalem Post Bureau

TEL AVIV, Monday. — Pistol shots piercing the night air (no law forbids it as in Jerusalem and Haifa) are reminding the residents of this city that Purim is less than a week off. Otherwise, excitement has not yet reached fever pitch and the shops have got off to an uninspired start with their window displays. Many persons, asked about this year's celebration, just shrugged their shoulders and said, "Without an Adloyada, Purim in Tel Aviv won't be the same."

However, they may be wrong for, judging by the large number of parties organized, Tel Avivians are determined to have a good time. The Tourist Corporation will encourage visitors from abroad to join the local parties.

The Municipality has allocated IL15,000 for Purim celebrations in parks and youth clubs.

The few shops that have so far put out a "Purim look," mostly are displaying fancy costumes, masks, beards, and pistols which shoot noisy caps. Gil's children's clothes shop has naval officers, musicians and cigarette girls in the centre of their window. Photographers remind passers-by of the fancy dress worn last year.

The most encouraging reports come from the leading hotels. Dan and Kaete Dan are full. They will have the Artists Association's Ball, while the Accadia will feature its own "Adloyada" on March 3. The hotel will be more than half full at Purim. The Sharon, booked to near capacity, will have the young Wizo "Flight to the Moon" party, this Saturday night. The Ramat Aviv, whose 100 rooms are all booked, is to feature a "Doll's Fashion Show."

The Painters and Sculptors' party will be held at Beit Liessin this Friday.

As part of the programme arranged by the Education and Youth Departments of the Municipality, there will be a fancy dress parade next Sunday. Some 20,000 children will take part in the various activities.

This Man's Giving Out IL6.5m.



TEL AVIV, Monday. — Every scientific, cultural and educational institution in Israel will have its claim for assistance considered, Mr. Bernard Katzen, U.S. State Department Cultural Envoy told the press today. He arrived last Tuesday to work out a programme for the allocation of some IL6.5m. which has accumulated in this country from the sale of American books.

Mr. Katzen said he had been amazed to discover a "tremendous desire" to read and learn in a country "which has so many worrying problems at this time." Of the $10m. which the U.S. had accumulated all over the world from the income of its book programme which began in June, 1952, almost 40 per cent was from the sale of books in Israel.

No commitments had yet been made about the allocation of the money which "will be a gift to the organizations concerned with no strings attached," the envoy said. "Personally," he confessed, "I would like to see some of the money going towards cultural activities in border villages, where the villagers cannot go out in the evenings to the cinema or theatre when they feel like it." The final proposals would have to be agreed upon by the Israel Government, and then the U.S. Secretary of State would ask Congress to approve the grant.

Mr. Katzen, who is a leading member of the Republican Party, said that his mission here was "strictly non-political."

Controller Extending Activities

Jerusalem Post Reporter

The State Controller's Office will exercise closer supervision over Government companies and Local Councils, and will increase the number of its surveys and examinations this coming fiscal year, Dr. S. Moses, the Controller, announced at a press conference yesterday. The office will also control Labour Exchanges this year.

The number of persons in its employ will accordingly increase by 17 per cent, as revealed in the 1956-1957 budget. Parallel to the increase in manpower, the office's budget is scheduled to increase by about 40 per cent.

Dr. Moses pointed out that none of his criticism of any of the Government offices was erased after he presented his 1954-1955 report to the Minister of Finance and the Knesset Finance Committee on December 30, 1955.

Answering questions about his comments on the Foreign Ministry's personnel abroad, Dr. Moses said that the unsatisfactory officials discussed in his report are occupied in the administration of embassies and consulates, and not in diplomatic capacities. He is certain that these cases will be eliminated by the Foreign Ministry's present system of rigid training for its personnel before sending them abroad.

The Controller said that he has proposed certain controls on non-governmental companies and institutions, such as Mekorot and the Hebrew University, which receive considerable financial support from the Government.

In answer to a question, Mr. N. Meiri, Dr. Moses' deputy, said that there is control over the State Controller as well, but that happily there was nothing to report this year.

Speaking on behalf of the Ministry of Finance, Dr. A. Ne'eman, General Accountant, said that the Ministry is satisfied with the Controller's Report, and that full cooperation exists between the two offices.

J'lem Council Covers 25 Items in Evening

Jerusalem Post Reporter

At a brisk, highly businesslike session, the Jerusalem Municipal Council last night discussed and approved 25 items dealing with routine affairs, ranging over all the city's activities.

The session was opened by Mayor Gershon Agron, who announced the resignation of Councillor Meir Grossman, General Zionist, due to ill health. It is believed that his seat will be taken by Mr. Y. Yanowsky.

A scheduled address by the heads of the Civil Defence Organization (Haga) was cancelled in view of the fact that the city leaders were maintaining continuous discussions on the subject.

The Council decided to hold a debate shortly on diverting immigration to the capital. It was agreed to ask Mif'al Hapayis to allocate funds for the maintenance of hospital beds in the city.

Mr. Agron ended the meeting with a eulogy of Mr. S. Horowitz, who died last week.

CLEANING UP THE CAPITAL

Jerusalem Post Reporter

A week-long campaign to "clean up Jerusalem" is to be undertaken from March 11 by Hovevei Yerushalayim in cooperation with the Municipal Sanitation Department. The civic group is to continue throughout the year, but in a less intensified form, in an effort not only to eliminate actual sanitary defects, but also to give the capital a "face lift."

Hovevei Yerushalayim receive complaints — and volunteers — daily at their office in Beit Hanoar Ha'ivri, 32 Rehov Hillel, telephone 2854.

MORE STRIKES BUT FEWER STRIKERS

Relative stability was the keynote of labour relations in 1955, the Ministry of Labour announced yesterday.

Although the number of strikes increased from 82 in 1954 to 90 in 1955, the number of workers involved dropped from 12,123 to 8,300. The number of work-days lost fell from 71,946 to 57,000.

However, the number of work disputes brought to the attention of the Ministry increased by 30 per cent, from 1,123 in 1954 to 1,468 in 1955. The number of workers involved in these disputes increased from 4,440 to 10,455.

DANE TO ADVISE ON FISH CANNING

A Danish expert on fish canning, Mr. Tengberg-Hanson, arrived last week on a six-month assignment at the invitation of the Ministry of Commerce and Industry, under the auspices of the U.N. Food and Agricultural Organization.

The expert will advise on methods of processing and curing fish, and standardization of canning.

'Zion' Leaves Hamburg

HAIFA, Monday. — The 10,000 ton s.s. Zion, sister to the Israel, sailed out of Hamburg yesterday, arriving at Le Havre this afternoon, Shoham said today. Tomorrow, the Chief Rabbi of France, Ya'acov Kaplan, will dedicate the ship's synagogue.

The Zion is due to leave Southampton for Haifa, on her maiden voyage on Wednesday.

(Picture — Page 4)



Widows and widowers with children are entitled to an increased tax deduction of IL60-80.

EILAT

(Continued from Page One)

stage its second phase with the transfer to Eilat of another 48 families at the end of next month. Within a year, Mr. Nenner expects to see Eilat with a population of 400. Asked what he planned to make out of his town, the Chairman said: "A port, a mining town, a tourist centre, a fishing port and to develop it into an outlet to the Far East."

The first plane's flight was smooth throughout, and its women passengers clapped their hands, shouting "Israel, Israel," accompanied by ecstatic whoops. The third plane had a rougher journey, and nearly all aboard were sick. Some almost panicked when the aircraft fell through air pockets, but the children all laughed and made merry, and called for repeats of the ups and downs. Travelling in this plane were a two-week-old baby, and Abraham Sepat, whose son said he was 95, but who looked even older. Corporal Miriam of Natanya did a great job in nursing babies and calming unsteady nerves.

Each house is made of presswood and has a red-tiled roof. It contains two rooms, a hall, kitchen and bathroom.

Within a few days, the men will go about their trades; there is room here for all sorts, in addition to building or mining copper at Timna, 27 kilometres away. An unskilled labourer will earn about IL8 per day, Mr. Emile Pimental, the Local Council Secretary, said.

To settle a family in Eilat costs the Jewish Agency over IL8,000, according to Mr. A. Siegal, head of the Jewish Agency Absorption Department.

The s.s. Jerusalem brought over 900 immigrants to Haifa. The majority are from North Africa, but about 50 came from Eastern Europe, among them mainly elderly persons from Poland, Hungary, Czechoslovakia and Soviet Russia.

The bulk of the newcomers were transferred to various development areas. In the Ta'anach area, 74 families were settled in moshavim. A new village in that area, Moshav Dvorah, received its first settlers today, and more are to make their homes there soon.

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No. 250,000 Gets a Film Star's Welcome

Jerusalem Post Reporter

LYDDA AIRPORT, Monday. — A surprise waited for Mrs. Harriet Scheffreen, of Brookline, Massachusetts, on her arrival today with a group of Hadassah visitors from the U.S. for a two-week stay. As she came out of the El Al Constellation, she heard her name being called over the loudspeaker system and when she identified herself to the hostess she was told, "You are Israel's 250,000th tourist."

She was then presented with two bouquets, scarlet carnations and blood-red anemones, and had pinned on her lapel the first metal emblem of the Government Tourist Corporation which will be presented to every future visitor. Dark and petite, Mrs. Scheffreen told El Al and Tourist Corporation officials who greeted her that she "had not dreamed of a welcome like this."

The secret had been well kept, and none of the passengers on the aircraft knew anything about it until batteries of photographers dazzled them with flashbulbs and the waiting room suddenly filled with microphones and cables.

Mrs. Scheffreen introduced tourist number 249,999 — her husband — who was one of the five men in the 32-strong Hadassah party. They had left their 15-year-old son at boarding school. Mr. Scheffreen, an insurance agent, told journalists that his wife was an active worker in the Boston Chapter of Hadassah, "although not one of the leaders." She was a keen student of the Bible and wanted to trace Biblical history by going over the ground on which it was enacted.

After posing for numerous photographs and reconstructing several times her exit from the aircraft, the lucky visitor and her husband left for Jerusalem in a special car preceded by a police motorcycle escort.

On the same flight was 84-year-old Mr. Israel London, also of Brookline, who told *The Jerusalem Post*, in Ashkenazi Hebrew, that he had wanted to visit Israel a long time ago but had only just got round to it. He had been advised that the air journey might prove to be too much for him, but said that he felt fine. His daughter is another member of the party which is led by Mrs. Victor (Freda) Schlesinger, of Boston, formerly of Tel Aviv.

The Director of the Government Tourist Corporation, Mr. Amos Irron, told the press that the quarter of a million tourists who had visited this country during the past eight years had brought an income of $200m. to international travel agencies and shipping and airlines. Some $40m. of this had gone to the Israel Treasury.

President Best Man To Peki'in Groom

SAFAD, Monday. — The President with Mrs. Ben-Zvi today visited Peki'in, on the first anniversary of its resettlement by newcomers. Despite the rain, the villagers turned out to a man to give the President and his party a hearty welcome.

Mr. and Mrs. Ben-Zvi were the guests of honour at the wedding this afternoon of Yosef Wakrat, 28, and Esther Abo, 21. The President acted as best man and was the first witness to sign the marriage contract.

This morning, the President and his party visited Beisan, where Mrs. Ben-Zvi promised a cultural centre would be set up jointly by the President's Fund, the Histadrut and the Local Council. Later today, Mr. Ben-Zvi visited Shazur, a mountain village of the Jewish National Fund on the Acre-Safad Road.

Yesterday, Mr. and Mrs. Ben-Zvi visited the graves of their son Aili and other soldiers who fell in the defence of Beit Keshet exactly eight years ago. Parents and friends of the fallen participated in the memorial service.

Mr. and Mrs. Ben-Zvi spent the night at the Galei Kinneret Hotel, Tiberias.

Bound, Robbed African Picked Up Near Halutza

Jerusalem Post Reporter

BEERSHEBA, Monday. — An "infiltrator" was caught with his hands already tied behind his back near the Halutza oil drilling site yesterday.

After peacefully crossing Africa and Egypt on foot, on a pilgrimage to Mecca, Deker Mohammed Ali, a Negro Moslem from Nigeria, fell into the hands of robbers in the Gaza Strip who took all his possessions. They bound his hands and last night drove him over the border into Israel. The pilgrim wandered until he saw the lights of the oil camp and there he was discovered by a Druze watchman, Noav Asam, who was surprised by what he called the "strangest kind of infiltrator found in Israel."

The wanderer has interrupted his travels for the time being in accommodation provided for him by the Negev Police.

Lack of Shelter, Cistern 'Endangers Lives'

Jerusalem Post Reporter

"In view of the present emergency, failure to build a shelter and water cistern is liable to lead to the loss of lives," Magistrate Meir Murciano said recently in the Jerusalem Municipal Court. He ordered two Jerusalem contractors, Ovadia and Yosef Levi, to build these two items in the basement of a house in Rehov Palmach in the Kiryat Shmuel quarter within three months.

The Local Town Planning Commission was ordered to demolish the apartment which the two contractors had built illegally in the space originally intended for the shelter and cistern.

Mr. Murciano noted that the two contractors had gone ahead with the building despite repeated warnings that they were acting illegally. He fined Ovadia Levy IL400 with the alternative of 55 days in jail and Yosef Levy IL275 with the alternative of 35 days in jail.

In another trial, Ya'acov Shaked was ordered to tear down partitions he had built on the roof of an apartment house in Rehov Metudela, Rehavia quarter, and to move the water tanks to another spot. Shaked was fined IL200 with the alternative of one month in jail.

(It is learned that the city's Engineering Department has already demolished the partitions.)

POLISH TRADERS STUDY POTASH, PHOSPHATES

The Polish trade delegation, now visiting Israel, on Sunday inspected the potash works at Sdom and the Oron phosphate mines, in the Makhtesh Hagadol.

Members of the Polish Legation also took part in the tour which was organized by the Ministry of Development.

FINNISH TRADE DELEGATION DUE

A Finnish trade delegation, headed by Mr. O. Kaila, Assistant Director of the Economic Department of Finland's Foreign Ministry, was due last night to discuss renewal of trade agreements with Israel, and import and export lists.

30 DEAD AT CARNIVAL

LA PAZ, Bolivia, Monday (Reuter). — Thirty people were killed and 56 injured in a carnival crush here last night on the city Esplanade, the worst accident in La Paz for 30 years.

Karamanlis Claims Election Victory

ATHENS, Monday (Reuter). — The Prime Minister and leader of the pro-West Radical Union, Mr. Constantine Karamanlis, today claimed victory for his party in yesterday's general election.

Provisional figures gave the union 155 seats in the new 300-seat Parliament, and the Radicals 145.

The opposition Democratic Union, which proposes a policy of equal friendship with East and West, had earlier also claimed victory on the basis of the actual voting figures.

With several thousand still to be counted, the Democratic Union had polled 1,641,861 votes, the Radical Union 1,415,958, the Progressives 62,456 and Independents 36,217.

The Ministry of Interior issued figures, which Minister Nikolas Lianopoulos said remained to be confirmed, giving the Radical Union 151 seats and the Democratic Union 149.

The Democratic Union last night protested about the conduct of army officers in the election, and said that they would demand a new poll. They alleged that the armed forces vote had been biased by officers who stood outside polling booths and intimidated soldiers.

The election is under a reformed electoral law which blends the three systems of proportional representation, majority and reinforced majority. It was the first Greek election in which women were allowed to vote.

Cold Still Killer in Europe

LONDON, Monday (Reuter). — Fresh snowfalls, avalanches and deaths from cold were reported from many parts of Europe today. There are fears of widespread flooding when the thaw comes.

Passau, in southern Germany, asked the U.S. forces to shell and bomb the ice pack blocking the Danube to avert floods.

Experts in Paris said tonight that only a very gradual thaw can prevent disastrous river floods in France when the snow and ice melt. Snow has stopped public transport between Nice and Cannes on the Riviera.

Heavy fresh snowfalls hampered efforts to clear mountain roads in central and southern Italy, where hundreds of villages have been cut off for three weeks. Snowdrifts at some points towered up to 10 metres. Famished wolves invaded villages and at Ziola Sannita, in the southern Appennines, a charcoal worker killed a wolf with an axe in his hut.

The unofficial death toll from this month's cold and snow in Italy is 80. In Vienna it was reported that four more deaths over the week-end brought Austria's unofficial death roll from the big freeze to 23.

Thousands of West Germans out of fuel queued at coal merchants in Germany today. At least 28 people have been frozen to death since February 1.

LABOUR

(Continued from Page One)

their professional body. The union's elections are scheduled for the end of April, and the Association's will probably take place later. It is understood that the "rebel" engineers are waiting to ascertain the Histadrut's attitude towards them.

In Haifa there was no noticeable press of patients as Kupat Holim doctors went back to their clinics this morning. The pace of work was reported as normal. In Western Galilee, less than the normal number of callers reported to the clinic, apparently because the news of the strike's end had not yet spread.

Medical services in the Capital gradually came back to normal as the morning progressed. Few persons arrived for treatment as the Hadassah Out-patients Clinic opened at 7.30, but as the news of the end of the strike spread slowly by word of mouth, patients began arriving, and by noon attendance was almost normal.

The Hadassah Hospital now has a reserve of some 150 empty beds to absorb the backlog of patients brought about by the stoppage. A spokesman said yesterday that the hospital should be back to capacity operation in about a week.

Queues at Kupat Holim, always long, were even longer as a fortnight's accumulated aches and pains were brought in for treatment. By the afternoon, the situation had reverted to normal.

High schools were back on their regular schedule. The two-day solidarity strike by the teachers got in just under the wire, and classes were open again in the morning.

Classrooms at the University were half-empty, waiting for the students to return from their out-of-town homes where they had gone "for the duration." Nearly all the professors and lecturers listened to the early morning newscast, and returned to work.

Syria Says World Bank Ready to Grant Loan

The World Bank is ready to ease its previous conditions, rejected by Syria as too stringent, for a $35m. development loan to Syria, Damascus Radio reported yesterday.

The loan is to finance, among other projects, swamp drainage and the completion of the Latakia Port.

Syria last month recalled her delegation from New York where it had been negotiating the loan with the bank.

WEIZMANN FELLOWSHIPS

The Chaim Weizmann Memorial Fellowships awarded to four American scientists are tenable at the Weizmann Institute of Science in Rehovot.

Tamar Melamed Michael Wald

Married

Jerusalem, Feb. 21, 1956.

At Home: 8 Rehov Pevsner, Haifa on Saturday, March 3, 11 a.m. to 2 p.m.

To the family of

Dr. Boris Tatarsky

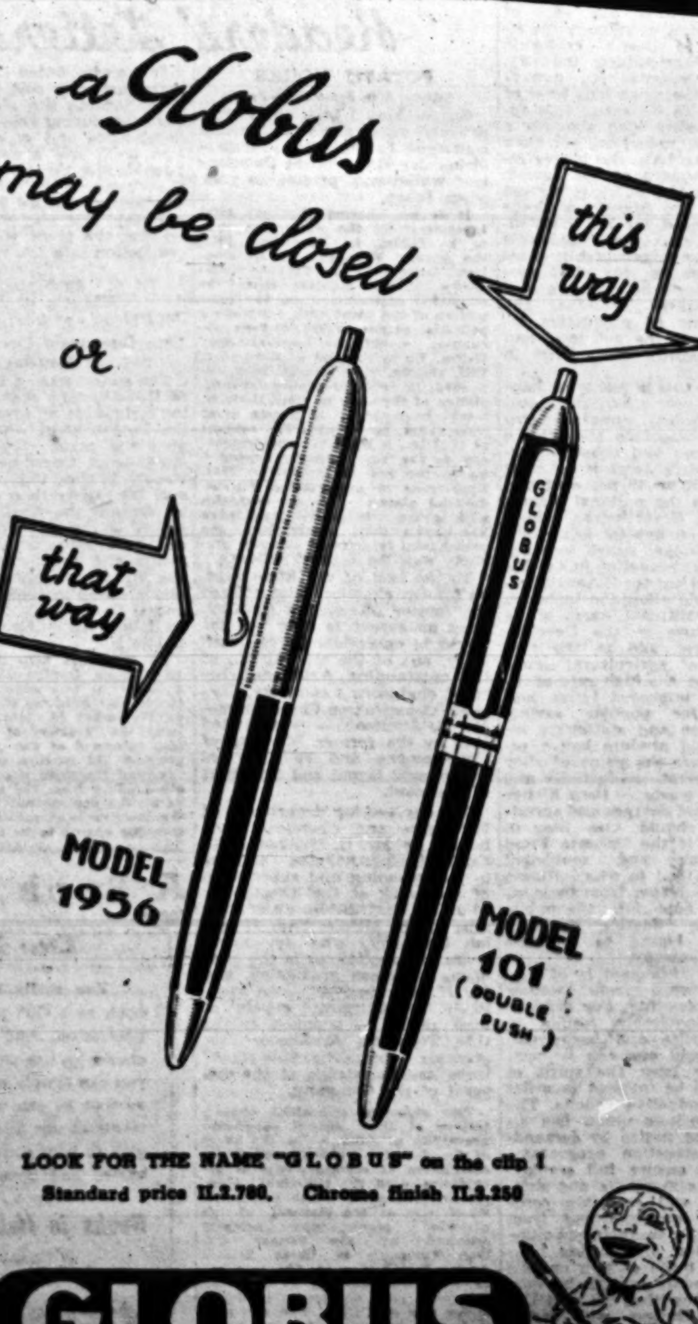
our sympathies and condolences on his sudden passing away

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Economic News from Abroad

Rising Tourist Income

● Tourist traffic has become the most important "invisible" item of dollar income in West European countries and is expected to rise rapidly in the near future. The general rise in the standard of living, international political stability and the widespread habit of travel are the factors contributing to this development. In 1954, Western Europe's tourist earnings totalled $1.4 billion or five per cent of the total trade receipts. Southern countries were the chief beneficiaries of the tourist traffic, while northern countries show a rising negative balance of tourist payments. Italy had a positive balance of $136m. ($78m. from European tourists alone), Switzerland of $130m. (386m.), France of $61m. (with a slightly negative balance of intra-European travel), Austria $64m. ($50m.) and Greece $21m. Ireland, too, had a positive balance of $60m. of which $41m. came from American tourists. Britain, the Scandinavian countries and Turkey had negative balances.

German Shipping Lags

● While the industrial activity and the foreign trade of Western Germany has hit new records in recent years, the German merchant fleet has remained relatively small. With a total of 2.7m. gross tons, it ranks 11th among the seafaring nations of the world, though Germany was fifth before World War II. Apart from Germany, only Japan is still below its pre-war merchant marine level. Shipping circles attribute this lag to three factors: lack of money on the part of German shipping companies, shortage of trained crews, and the insistence of some nations, notably the U.S., that a certain percentage of the carrying trade be handled by ships of their own flag. German shipping circles demand Government intervention to end these discriminating measures.

Cheap Nuclear Power

● Recent British estimates of the prospectvie costs of nuclear power show that it may be considerably cheaper than previously calculated, while the competing power from thermal stations is now expected to be dearer than thought before. There are already signs that the fall in the real price of oil would not continue, because at present fuel oil is mainly produced as a by-product of light oils and its price is substantially below that of crude oil. In the long run, it is difficult to imagine that the present pattern of demand will continue and the price of black oils presumably increase and eventually exceed that of crude oil. Prospects of expanding supplies of coal at reasonable prices are also dim. On the other hand, the reserves of uranium already known and commercially exploitable, and of other raw materials for nuclear furances, have proved considerably bigger than assumed a short time ago.

Irrigation by Sea Water

● The U.S. Department of the Interior has announced that the economic use of salt water for irrigation "is definitely in sight." New methods permit the conversion of sea water into fresh water at a cost which, though several times higher than present costs of irrigation water in the U.S., is considerably below prices charged for water for industrial use.

Swedes Give 4% Wage Rise

● Negotiations between the Swedish Employers Confederation, the Trade Union Confederation and the Central Organization of Salaried Employees resulted in an agreement providing an average four per cent increase in wages and salaries this year. The agreement, however, is flexible enough to make possible higher compensation to the lower brackets at the expense of the higher.

THE JERUSALEM POST

Founded as The Palestine Post in 1932. Published daily except on Saturday, in Jerusalem by The Palestine Post Limited. Registered at the G.P.O.

Founder GERSHON AGRON

Managing Editor TED R. LURIE

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HAIFA Bureau: 1 Rehov Khayat, P.O.B. 66. Tel. 4604 (3 lines).

SUBSCRIPTIONS: Inland IL 22.000. Foreign IL24.000 per year.

Tuesday, February 21, 1956
Adar 9, 5716. — Rajab 11, 1375.

A NEW BUDGET

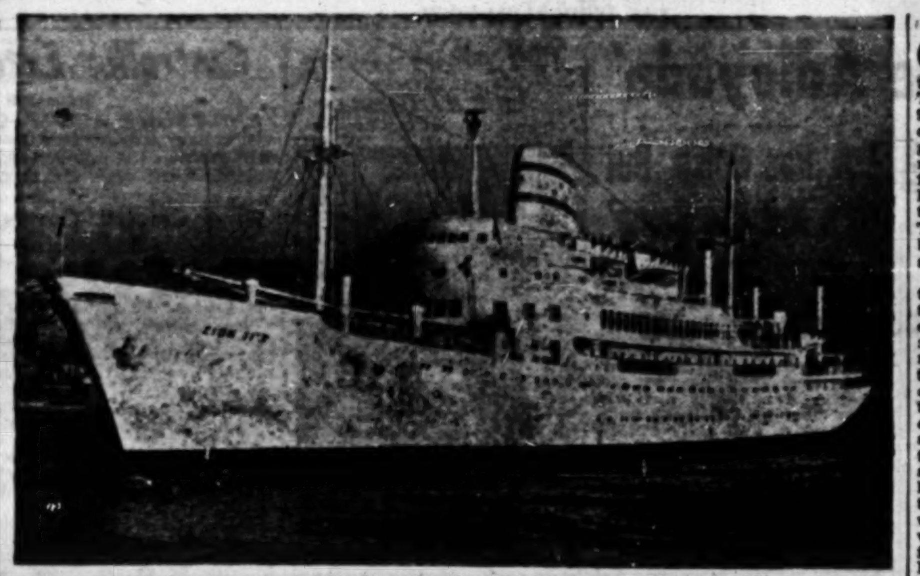
THE budget proposals for 1956/57, tabled by Mr. Eshkol in the Knesset last week, are a pleasant surprise on several counts. Their presentation has again improved compared with last year, and it is the first time that a detailed Development Budget has been tabled in due time, in spite of the professionals' strike. They are based on sound and optimistic assumptions, which happily contrast with many gloomy prophecies issued during recent months. And their make-up shows economic acumen and disregard for popular catchwords, and has already produced a spate of criticism both within and outside the present coalition.

As a matter of fact, faced with a war scare on the one hand and with "depression" rumour-mongering on the other, Mr. Eshkol produced an anti-climactic budget, and instead of being reproached for being fiscally overzealous, as in previous years, he is now taken to task for adhering to precepts of normalcy at a time of national emergency. There is certainly a touch of irony in this reversal of roles, and it gives Mr. Eshkol something like a free hand should a supplementary budget become necessary later on. There are even some hints that he may again be playing his old trick of under-estimating prospective revenue so as to create an unallocated reserve for urgent needs. But whatever he may have at the back of his mind, there are good reasons for defending the general framework of the budget as it stands.

The main problem is, of course, the size of the Development Budget which is proposed at IL217m. compared with IL237m. in 1955/56. If the five per cent rise in prices is taken into account, this works out at a cut of 15 per cent, and an even larger one when related to the national income, which is expected to rise by approximately 10 per cent. However, a sum of IL9m. was included in the current budget for assistance to farmers who suffered loss owing to last year's drought, which is not really development, and the bulk of the reduction is to be made in housing schemes, public buildings and public works, most of which are in any case of minor productive value while allocations to basic economic branches (agriculture, industry, mining, transportation, power) remain at their previous level of IL174.5m. To be sure, this apparent equality also signifies a proportional reduction, but then this year we have the bigger investment budget of the Jewish Agency (made possible to a great extent by the higher exchange rate now paid for its contributions) and the greater amounts of private savings which it planned to mobilize for vital economic projects by means of debenture issues. Therefore the total volume of productive investment may be not less, and perhaps slightly more than in 1955.

After all, this is just what happened last year when the Development Budget remained stationary (taking into account the rise in prices and economic expansion) while total investment soared by some 40 per cent and its share in the national income increased. Nevertheless, there still seems enough fat left in the Ordinary Budget which together with a slight reduction in the IL40m. earmarked for "financial reserve," would allow the inclusion of some additional items of an urgent nature in the Development Budget, and as the consolidation of agricultural debts. For the rest, the high rate of interest, the improved terms and facilities for popular saving, stable prices and stationary incomes would produce better results — from the point of view of development, productivity and preventing waste — than higher rates of fiscal charges and spending. One should also bear in mind that if the Defence Fund contributions and municipal rates are added to what citizens expected to deduct from their income and pour into the public coffers, the "floating spending power" is bound to decrease quite substantially.

Evidently this item is of special importance from another point of view, too. For reduced spending inevitably results in smaller profits and lower employment, and one can be sure that before long the spirit of Keynes will be invoked in order to bless productive deficits. The building workers union has already served notice by demanding a construction programme that would ensure full employment for its members and similar claims will certainly come from other quarters and from workers and manufacturers alike. It seems that Mr. Eshkol himself is not quite certain on this point, for oddly enough he purported to show that the next Development Budget will create more work-days than the last one. It is to be hoped, however, that he will withstand the pressure and let economic counsels prevail over [illegible] interests.



S. S. Zion, sister ship to the s.s. Israel, is now on her maiden voyage to Haifa. She is 10,000 tons, carries 313 passengers and 5,000 tons of freight. She will be put on the N.Y.-Haifa run, giving Zim two round trips monthly.

Budget Maintains Present Framework

By Our Economic Editor

CONTRARY to what we were accustomed to in past years, and what was generally expected in this emergency period, the budget estimates for 1956-57 are aimed not at further expansion of Government activities but at maintaining their present framework, while development expenditure is to be somewhat reduced. Nevertheless, the sum total of the Budget is to rise to IL755m. compared with IL626m. originally budgeted a year ago, mainly because IL114m. were added to the current budget by a recent Knesset vote and IL18m. more will be required on account of higher prices and cost-of-living allowances (i.e., about five per cent).

Allocations for new activities or expansion are set at IL64m., but out of this, IL47m. will be covered by various economies. Moreover, over one-third of the new expenditure (IL23m.) is a result of laws and decisions already passed (chiefly higher interest and compensation payments). On the other hand, a supplementary defence budget of IL50m. is to come up shortly. However, the proposed level of government spending will not differ materially from that maintained in the current fiscal year, i.e., somewhat over a quarter of total national spending.

Security Expenditure Up

Within this overall stability, some important changes will take place. First, defence and police expenditure — including the "special funds" and taking into account the coming Supplementary Budget — will increase to IL210m., compared with IL159m. in the current Budget (of which a part will presumably also be delayed until the next fiscal year), i.e., a rise of almost a third, and almost one half more than was spent in 1954-55. Of the IL68m. security and special services expenditure added in these two years, only IL4m. will go to the police, bringing its allocation to IL23.7m. Security and other special items will thus take 27 per cent of the total Budget instead of 22 in the past three years.

Second, interest will claim IL40m. (instead of IL25.4m. in the current year) and a similar amount has been earmarked for "revolving funds for financing operations" (IL32.5m.). Though repayment of debts will stay at IL50m., total financial charges will thus increase by 20 per cent and will account for 15 per cent of the total budget.

There will be a slight drop in economic and administrative services (IL64m.), while social services (education, health, welfare, invalid and employment expenditure) will rise by six per cent but altogether these items account for only one fifth of the budgetary allocations. Subsidies will be increased from IL32m. to IL36m., of which IL30m. (IL4m.) earmarked for exports, and transport and communications are to get IL50m. (IL45m.).

The Development Budget

On the other hand, the Development Budget has been cut from IL237m. to IL217m., i.e., by 15 per cent, if the higher level of prices is borne in mind. The main cuts here are: housing (IL12.5m.), electricity (IL10m.), agriculture (IL5.3m.), and public building (IL3.3m.). Housing for new immigrants is, however, partly to be financed by the Jewish Agency, while the Palestine Electric Corp. is to rely mainly on the issue of more debentures on the capital market. Industry is to get IL10m. more than last year — for buildings and installation of machinery and equipment (ordered mainly from Reparations) and transportation an additional IL4.2m., although almost IL5m. will be spent on railways, harbours and airfields, in order to grant a IL9m. loan to the El-Al company. As a matter of fact, the effective allocation for agricultural development has also been increased by IL4.7m. (five per cent), because last year IL9m. were spent on compensation for drought damage.

As a result of these changes, the Development Budget will be of a more "productive" character this year, in particular if the big industrial enterprises in the Negev (the Dead Sea works, the copper mine, the phosphates, the bromine and the new Sukreir chemical plants), which have again been endowed on a large scale, will live up to expectations. In the ordinary budget, too, one of the biggest savings is in the employment item, which has been cut by IL5m. (almost a third), while the main expansions are in allocations for health (IL2.8m., of which IL1.5m. is an increased subsidy to the Histadrut Sick Fund) and education (IL2.3m., mostly for elementary schools). Nevertheless, the Budget is officially estimated to provide 7.12m. work-days (of which 3.8m. in agriculture and 1.7m. in housing) in 1956/57 compared with 6.69m. estimated for the current year — though the number of work-days provided has proven to be considerably higher owing to the supplementary grants.

The number of civil servants will also rise by 1,600, i.e., almost four per cent. The topical question of salaries which was the issue of the recent strike has not been mentioned in the Budget Speech nor is any reference made to it in the Budget Commentary, and no special reserve for salary increase has been provided this year. It seems, however, that in case of need, considerable savings could be effected in the various services. Obviously, IL18m., almost equivalent to the total budget of the Ministry for Social Welfare, could be saved by a mere cut of 2.5 per cent in the ordinary service expenditure.

This is the first of two articles analysing the Budget. The concluding instalment will appear on this page next Tuesday.

T.A. Hotels Busiest

OUT of the 3,000 rooms now available for tourists in hotels approved by the Government Tourist Corporation, there are 972 rooms of international grade one (luxury class) and 1,178 of grade two, while the other 850 rooms are of a lower standard, for tourists of modest means. In hotels of the two higher grades there are 810 rooms situated in Tel Aviv and on the Herzliya beach, 510 rooms in Jerusalem and 520 rooms in Haifa.

This seeming over-concentration of hotel accommodation in the Tel Aviv area is not, however, borne out by facts. Figures show that during the first eight months of 1955 (which comprise the main tourist season) frequency of occupation in Tel Aviv hotels was highest — in fact it was double that of the Jerusalem average and more than double that of Haifa. Frequency was also by far highest in the luxury hotels and comparatively low in the third class. It is these hotels which are now to be modernized with the help of special loans from the Development Budget. Last year, the luxury hotels accounted for over 43 per cent of the total number of tourist nights and for the bulk of dollars earned from tourist traffic.

Stocks and Commodities

Tel Aviv: 25% Ceiling Given on Tavei Dollar

THE official confirmation of the income tax facilities granted to Tavei Dollar coupons have officially been published in "Kovetz Hatakanot" of February 16, 1956. Accordingly, as from the coupon due on June 15, 1956, a ceiling for income tax deduction has been fixed at 25%. On Sunday, the turnover in Tavei Dollar was livelier and the price advanced by ½%.

Elsewhere on the market prices were lower wherever changed. The long list of drops include the Potash issues, which again lost some 10 points, despite their recovery on Sunday after the optimistic statement of the Minister of Development (the recent price in London of preference shares was 10s. 7½d.), the Ata, Kurdaneh, I.L.D.C. Bank Leumi, Palestine Cold Storage and others. Investors seem to be disturbed by the reports that securities will not be exempted from the new Capital Tax which is being prepared for submission to the Knesset after the Pessach recess. If these reports are correct, it is difficult to see how further flotations could be absorbed and it should therefore be hoped that taking into consideration the need to encourage savings through investment in securities, a way will be found to exempt securities from this tax.

On the "curb" rather lively business was evident in oil shares, especially the Israel Oil Prospectors, which passed the IL23.500 mark, probably on encouraging news from various oil drilling fields. Also the Jordan Exploration recovered to about IL7.500. In New York some of the Israel oil shares were quoted among the "most active stocks," with prices advancing: Israel-American Oil—$5½; Israel Continental—$1⅝, Pan-Israel—$1⅞ and Israel-Mediterranean—$1⅝.

The Tel Aviv Stock Exchange Council should be congratulated on publication of the first bi-annual report, to be presented to the General Meeting.

New York Has Sharp Recovery

RESPONDING smartly to the medical report on President Eisenhower, widespread gains were apparent on Wall Street. Gains were up to $2.- and above per day, and trading was very active. The Dow Jones Average for 30 Industrials was 477.07 as against 467.66 last week.

London Reacts on Bank Rate Increase

ON the eve of the rise of the Bank of England rate from 4½ to 5½%, the market continued the recess, buyers continued to hold off while persistent small selling increased. The early attempts to put prices higher on better news from New York proved fruitless. Since the Bank Rate news got through and the new deflationary measures have been announced by the Chancellor of the Exchequer, prices did not move any more and settled at their previous levels. Reuter's Index for Gilt-edgeds was 75.1 as against 76.2 last week while the Industrial Index was 200.8 as against 210.2.

Egyptian Cotton Dumped by Czechoslovakia

COTTON bought by Czechoslovakia in Egypt is being dumped at 6% discount on the free port of Trieste, a "Financial Times" correspondent reports from Bonn. Cairo's intention to obtain firm long-term contracts for export of Egyptian cotton to Western Germany will remain unfulfilled and suggestions that Egypt might switch her cotton exports to the Soviet block are discounted. In the meantime, however, negotiations are on the way for the multilateral payment scheme to start on July 1st between Egypt, West Germany, U.K., Belgium and the Netherlands, if the recent negotiations in London are successfully concluded.

Soviet Gold Reserves Heavy

The Soviet gold output presents a most popular international guessing game. While South Africa estimates the Soviet region as producing no more than 3 million ozs per year as from 1945, leading international banking organisations quote the amount as being twice as big while the U.S. Bureau of Mines has put it in the region of 9 million ozs. The German Industrial Institution of Duesseldorf suggests that the present gold production level is about 11 million ozs. per annum, which would make it only 20% less than South Africa, the largest producer in the Western world. This source estimates that the present gold holding of the Soviet Union was about 200 million ozs. about 1 of the world's total. Most estimates however indicate that over the past three years Soviet block gold reaching bullion markets outside the Iron Curtain amounted to about four million ozs per year.

With the pound Sterling easier, the official price of gold in London was raised to 249s.5½d. per fine ounce. Some interest was shown by Continental operators but business was not brisk.

In Paris, in absence of fresh interest, business was quiet. One kilo-bar stood at Ffrs.450,000.- as against Ffrs.452,000.- last week, while the Sovereign was Ffrs.4,020.- as against Ffrs.3,970.- last week.

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Tel Aviv Stock Market

FEBRUARY 20, 1956

Pop. Loans	
1949/69 (IL.20)	104½
5½% Tavei Dollar x)y)	71½
6% Comp. Loan 56/67	[illegible]
3½% War Loan 54/69	[illegible]
3½% Gov. Bds. (large)	[illegible]
6% Reg. Sterling "A"	[illegible]
6% Reg. Sterling "B"	[illegible]
Pal Bearer Bds. Ser. 3	51½
Bk. Leumi ord.sh.	213¼
A.P.B. Investm. ord. sh. "B"	111½
Gasit ord. sh. "B"	101
Ellern's Inv. ord.	156½
P.E.C.Inv.ord."B"sh.d)	[illegible]
Gen. Mortg. Bk.ord. sh	76
Bizur 6% debs. 56/68	[illegible]
Nir 6% Debs. (bearer)	[illegible]
5% pref. sh.	[illegible]
Pazo 6% debs. 60/64 reg	[illegible]
"Iova" 8% debs.	86
I.L.D.C. ord. sh. reg.	105
8% debs.	[illegible]
Afr. Pal. Inv. ord. sh.	75½
Rassco 6% pref. ord. sh. d)	[illegible]
Pal. Potash 6% pref. sh.	216½
"A" ord. shares	106
Pal. Elec.pref.sh.(1.8m)	261½
6½% P.E.C. Debs. 37/64	101½*
	100½**
Mehasst pref. sh.	75½
Ata ord. "B" sh.	117½
2-8% conv. debs.	92
"Kurdaneh" ord. "B"	130¼
7% conv. debs. 59/66	[illegible]
Moller-Dee ord.sh.reg.x	370
Pal.-Brewery 8%con.sh.	[illegible]
Assis Bejarano "B" sh.	128½
"Teva" ord. sh. d)	106
Nesher 6% debs. "A"	104½
Pal. Cold St. 7% debs.	143
ord. sh. reg. (full div.)	220
Pal. Contr. Tr 8% debs.	95

Notes: a) purchasing price; b) selling price; c) ex-coupons; d) ex-dividend; e) ex right; x) in % of IL1,800; y) 15.6./15.12; * Dollar; ** Index.

Optimistic Mortgage Bank Report

By Our Correspondent

COMMENTING upon the General Mortgage Bank's decision to raise the dividend rate to seven per cent for ordinary shares (compared with 6.5 during the past five years) and 6.5 (6.25) per cent for preference shares, Mr. Hoofien, in his annual Chairman's report, went out of his way to point out that this increase in no way restores the shareholders' earnings to an appropriate level considering their original investment and the present volume of the Bank's profits. He held out the hope, however, that the dividend rates would gradually be raised in future years as "the Board of Directors no longer regards the prospective development of the Bank's business pessimistically and feels that matters will progressively improve in coming years."

This unqualified statement at a time of receding building activity and renewed fears concerning inflationary pressure and "deficit financing" is in itself a token of the calm attitude now prevailing in Israel business circles. It also reflects the general view that Government is now much more business-minded and ready to let private capital have a fair share in the country's economic development.

But it also seems to indicate a coming change in the Bank's own policy, to enable it actively to re-enter the domestic capital market. Though nothing explicit on this point is contained in the annual report, the Bank's attitude as regards the possibility of issuing new debentures and of granting "linked" mortgage loans seems to have mellowed. As a matter of fact last year the Bank granted for the first time 435 "linked" loans from Government funds, and the spectacular success of the two Palestine Electric debenture issues in which the Bank Leumi, the General Mortgage Bank's parent company, took a major part, is also a straw in the wind. The matter now perhaps depends chiefly upon the kind of priority assigned to mortgage debentures by the capital issue authorities, i.e., upon the pros and cons of diverting a part of the country's limited savings to financing private building schemes.

For the time being the Bank continues to operate mainly as an agency for lending Government funds, and in this field, too, its activity has been limited in recent years by the increased earmarking of public monies for housing in rural areas, while the Bank traditionally confines its operations to the urban and semi-urban sector. Thus, in the 1954-55 budget year, out of the IL59.5m. spent for housing, over IL22m. went to agricultural settlements, and over IL20m. to new immigrants' housing, which is also outside the scope of the Bank's operations.

The Bank's share in lending development budget funds in 1955 was IL6.3m., of which IL5.5m. went for Popular Housing, IL1.3m. for public housing schemes, IL0.9m. for Regular Army housing and IL0.2m. for hotels (bringing total loans outstanding of this last item to IL2.3m.). Loans from its independent means doubled in the report year to IL0.45m., but even from this modest sum only one half was granted to private housing, while the rest went to Government - financed schemes.

At present, the major part of the loans goes to the Save for Housing scheme, the bulk of which (some 85 per cent) is located in the three big cities and their vicinity.

The negligible part played by the Bank in private building activity is illustrated by the fact mentioned in its report that last year about 4,000 dwelling units were erected by private contractors compared with 17,000 units built by public schemes, i.e., almost a third in terms of value. Of these, some 2,000 dwellings were erected in Tel Aviv and Ramat Gan and the rest were about equally divided between Haifa, Jerusalem and other towns.

The report stressed the great improvement that has taken place in the quality of local building and domestically produced building materials, and the importance of the new model contract for building contractors which has been approved by the Institute of Standards. Legal conditions for residential building also improved last year with the implementation of the revised Tenants' and Encouragement of Investments' laws. However, hopes entertained for attracting substantial amounts of foreign capital to local building have not yet materialized.

The following figures show the Bank's development in recent years:

IL 000	1952	1953	1954	1955
Capital and reserves	585	585	585	925
Debentures outstanding	4,169	4,743	4,766	4,538
Deposits and Advances	4,329	6,424	12,886	20,320
Loans	9,950	13,185	18,615	25,730

Readers' Letters

POTASH WORKS

Editor, The Jerusalem Post

Sir, — May I take the liberty of correcting some statements contained in the article "Supervision for Government Companies" which was printed in your paper today.

It is not correct that the total investment in the enterprise was to be IL11m. In December, 1954, the former Minister of Development informed the Finance Committee of the Knesset that "the estimated expenditure on the completion of the plant with a minimum potential output of 135,000 tons per annum, would be approximately IL30m. Up to the end of November, 1954, IL8.5m. have already been expended. In order to enable the completion of the work in time, IL21.5m. would be required, at a rate of at least IL1m. per month. The amount of IL11.5m. is therefore supplementary to the sums already expended up to the end of December, 1954. Experience in constructing big industrial plants, even in countries with great industrial knowledge has shown that rarely does the actual total investment coincide precisely with the original estimate.

To the best of my knowledge, no foreign chemical firm offered the former Minister of Development an expert to help put the works in operation. On the contrary, one of the top experts of the outstanding American chemical engineering company, Chemical Construction Corporation—Mr. S. Streitzof — was invited here by the former Minister of Development and he approved the general layout and flowsheet of the plant.

The engineering department of Fertilizers and Chemicals Ltd., headed by Mr. E. Mollison from England, participated actively in the planning and supervision of the work at the Dead Sea; while Dr. M.R. Bloch, Chief Chemist of the Mifalei Yam Hamelah Company, who for many years has specialized in the problems of potash production, and Mr. E. Higenbotham — an American metallurgical expert of high repute — supplied by the U.N. Technical Assistance Programme — put their wide experience and knowledge at the disposal of the Company.

The objective difficulties characteristic of the special conditions prevailing at Sdom — in the heart of the desert — have impeded the completion of certain works in accordance with the time-table planned in advance. The equipment which was at the disposal of the extended plant was actually acquired by the former Potash Company in Great Britain during World War II. This was not of first-class quality, as was the case with most equipment produced under war conditions. The fact that it lay unused in crates for years also contributed to its deterioration. Parts broke down during the setting up of the plant and it was necessary to produce locally special spare parts.

It may be stated now that the main difficulty and problems of rehabilitating the old plant devastated during the War of Independence and of erecting the new plant are a matter of the past. While the plant is now in the "running in" stage, actual production reached 3,300 tons in January, 1956, and it is now hoped that the plant will be in full production in a few months time.

Yours, etc.

Spokesman of the Ministry of Development

Jerusalem, January 31.

Our Economic Correspondent Replies

The spokesman of the Ministry of Development does not reveal the estimates of investments in the Potash plant when the first plan was made. The statement cited as of December, 1954, obviously implies that expenditure was far higher than expected. It is obvious, too, that the profitability of the enterprise depends on the relation between investments and production. What is the difference between the initially planned expenditure and the actual final outlay if it is not — as I believed — some IL10m. to IL11m.?

As to expert help offered by a well-known foreign chemical firm: a letter to this effect was sent to the former Minister of Development on November 18, 1953. Some days later, the Ministry of Finance was also informed of the proposal. The proposal did concern actual production and therefore lies on quite another plane from the help mentioned by the spokesman. When in 1955 the problem was raised as to whether the expert to be loaned by the foreign firm was to reside in Tel Aviv or Beersheba, the answer of the Chemical firm was: at Sdom, of course—and not to make plans, but to produce Potash.

Tel Aviv, February 5.

Ministry's Further Comment

We wish to repeat the following points:

1. We know of no previous plan to rehabilitate the Potash Works and bring them to an annual production capacity of 135,000 tons per year with a total investment of only IL10m.—IL11m., which is half the present estimate.

The last authentic statement on the required investment was made in December, 1954, by the former Minister of Development, at the Knesset Finance Committee, when the Minister said that the total investment would be approximately IL30m. This estimate approaches the total investment actually made, which reached IL21,345,306 at the end of December, 1955, of which the Government gave IL19,425,306.

2. Your correspondent's reference to the cancellation of a plan in which a foreign chemical company would aid in the production of potash — the name of which is not mentioned — is not clear to us. The Ministry was offered several plans of rebuilding the Works. Of these, that of Mr. S. Streitzof of the Chemical Construction Corporation, was found to be the most appropriate.

It is therefore clear that the Ministry is aided, as much as possible, by foreign advisers who are among the best and the most experienced in the industry.

Spokesman of Ministry of Development

Jerusalem, February 8.

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